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EDUCATION PROGRAMS FOR VETERANS AND SERVICEMEMBERS

HEARING BEFORE THE COMMITTEE ON VETERANS' AFFAIRS UNITED STATES SENATE ONE HUNDREDTH CONGRESS SECOND SESSION ON S. 820, S. 1997, S. 2307, and S. 2383

MAY 25, 1988

Printed for the use of the Committee on Veterans' Affairs



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EDUCATION PROGRAMS FOR VETERANS AND SERVICEMEMBERS

WEDNESDAY, MAY 25, 1988

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10 a.m., in room SR-418, Senate Russell Office Building, Hon. Spark M. Matsunaga presiding.

Present: Senators Cranston and Matsunaga.

OPENING STATEMENT OF SENATOR MATSUNAGA

Senator MATSUNAGA. The Committee on Veterans' Affairs will come to order. Good morning, ladies and gentlemen. Welcome to this morning's hearing to consider four bills on education programs for veterans and service members.

Last year, the very first day of the 100th Congress, I was proud to join with Chairman Cranston, ranking minority member Murkowski, and several other members of this committee in cosponsoring S. 12, The new GI Bill Continuation Act and on February 4, 1987, to respond to his request to chair the committee's hearings on that bill.

I am equally pleased to honor the chairman's request that I also chair this year's hearing on veterans' education programs and to join with him in two bills he introduced, S. 1997 and S. 2383. Educational assistance programs for those who serve in our Nation's Armed Forces have been a special focus and priority of mine as a member of this committee.

I am, of course, delighted that as a result of our successful efforts last year, the new GI bill is now a permanent program for active duty members of the All-Volunteer Force under chapter 30 of title 38 and for members of the Selected Reserve under chapter 106 of title 10.

The GI bill is not only an excellent tool for improving and sustaining the quality of our All-Volunteer Force; but, as was the case with earlier GI bills, it is also a valuable readjustment benefit for veterans and a cost-effective, prudent investment in our Nation's economic development.

I want to congratulate Chairman Cranston for his leadership last year in making the new GI bill a permanent program and for scheduling this hearing to review veterans' education programs and examine possible needs for improvements.

We have a full agenda and a distinguished array of witnesses this morning. We will be receiving views from the VA and the Department of Defense, as well as from the fine organizations that represent our Nation's veterans, the members of the Armed Forces, and the higher education community.

I look forward to hearing from each of the witnesses.

Before proceeding, I would like to remind everyone, except the distinguished Senator, that since we have many witnesses today, I must ask that each witness limit his or her oral testimony to 5 minutes so that we will have sufficient time for questions. We will be using the green and red lights. I don't know what happened to the yellow light, but don't let it confuse you. [Laughter.]

When the green light is on, of course, you proceed; but when the red light comes on, you need to terminate your oral testimony.

I am extremely pleased to see Senator Tom Daschle here this morning. On behalf of Chairman Cranston and myself and the rest of the committee, I welcome you as our first witness. First as a Congressman and now as a Senator, Tom has been a strong, effective advocate for veterans' education and training programs. Welcome, Tom, and you may now proceed.

**STATEMENT OF HON. THOMAS A. DASCHLE, A U.S. SENATOR
FROM THE STATE OF SOUTH DAKOTA**

Senator DASCHLE. Thank you, Mr. Chairman.

I will keep my remarks under the red light special as well; and I thank you for that kind introduction. I am here to support very enthusiastically S. 1997, the bill to stretch out the basic pay reductions for the GI bill participants, as well as S. 2307, the Veterans' Educational Assistance Act; but I would like, with your permission, to insert that testimony in the record.

Senator MATSUNAGA. Without objection, it will be so inserted.

Senator DASCHLE. The statement is written largely in support of S. 820, a bill that I introduced, which authorizes extremely limited access to flight training under the GI bill. As a pilot, as a former chairman of the House Veterans' Subcommittee on Education, Training and Employment, we have studied this issue a great deal; and I am all the more convinced today of its necessity.

There are three compelling reasons why I believe the inclusion of flight training in the GI bill is warranted. The first is that we are still at a level of unacceptable unemployment for Vietnam and post-Vietnam veterans. It is much higher than it should be.

One in three of those individuals who are regarded as homeless are veterans, and our studies indicate that the major reason that we see the higher than acceptable rate of unemployment is fundamentally a lack of education and job training.

The second reason is that America desperately needs pilots today. In the last 15 years, we have seen the number of student pilots drop by 30 percent. Commercial pilot certificates have dropped by 58 percent. By 1992, experts believe that there will be a shortage of more than 4,000 commercial pilots and instrument pilots.

And we will need 62,000 pilots in the next 10 years. Clearly, from a demand point of view, we have to find a way in this country of providing more access to pilot education.

Finally, there is a natural career choice in commercial aviation for many veterans, veterans who have had experience in the Air Force, in the Army, in the Navy, and in the Marines, with regard to aviation—direct and indirect—in their service-connected experience.

And so, for those three reasons, Mr. Chairman, I think we can make a very compelling argument for passage of S. 820; but let me address one of the biggest concerns about reimplementing the flight training that we know existed with a certain degree of success in the past, and that is, the problem of abuse.

I would like to address it in two ways. First, the 1979 GAO report claims that only 16 percent of flight trainees were specifically tied to aviation. That may be true, but that doesn't mean the other 84 percent abused the program.

The GAO, in its 1979 study, only addressed individuals who listed job occupations as flight instructor or professional pilot as legitimate beneficiaries. Anyone who uses aviation as an integral part of their profession but are not real professional pilots or instructors were not counted in that study.

I am one of these. In larger States and in rural areas, in my role as a Senator—as in many other professions—having the ability to fly is a tremendous asset.

The chairman of this full committee is a journalist by education. Even though he is not a journalist by trade, that journalism has been extraordinarily helpful to him in his career as a U.S. Senator. So, it is an asset. It is a tool; it is an educational device whereupon we can draw resources that otherwise would not be available to us to do our jobs better.

So, there is a professional relationship, even though not a direct relationship, to having the ability to utilize flight training.

The second is addressed in my bill precisely, and that is that we address abuse in two ways. First, the training must be certified as a vocational exercise by a State approving agency; but perhaps most importantly, my bill requires that pilots obtain private pilot's licenses before becoming eligible for the GI bill.

It is like getting your bachelor's degree prior to the time you are eligible for the GI bill to get your master's and your doctorate degrees. An incredible investment, now estimated to be about \$3,500, is required to get your private pilot's license prior to the time you are eligible for the GI bill to get your commercial rating.

These ratings go step by step. You can't get a commercial rating prior to the time you get a private pilot's rating, and that requires an inordinate amount of investment, \$3,500. So, my bill not only deals with advance and commercial licenses, it does require a very

significant financial commitment before any pilot would be eligible for the GI bill training.

So, in summary, Mr. Chairman, S. 820 is a good bill. It certainly addresses a need that we have for veterans and unemployment. It addresses a need that America has for more pilots, and it addresses the problems cited in the GAO report and other reports in the past about ways in which to ensure effective utilization.

I certainly hope this committee will take a good look at the bill and see fit to pass it at some point during this coming year. I thank the chairman for his time.

Senator MATSUNAGA. Thank you very much for your excellent statement. It is most enlightening, believe you me. I have been receiving just the other part of the issue. I thank you.

Senator DASCHLE. Thank you, Mr. Chairman.

[The prepared statement of Senator Daschle appears on p. 82.]

Senator MATSUNAGA. Our next witness is Mr. John Vogel, the Chief Benefits Director of the Veterans' Administration. Mr. Vogel is accompanied by Dr. Dennis Wyant. Mr. Vogel, it is always a pleasure to have you appear before this committee. Please proceed with your statement.

STATEMENT OF R. JOHN VOGEL, CHIEF BENEFITS DIRECTOR, VETERANS' ADMINISTRATION, ACCOMPANIED BY DR. DENNIS WYANT, DIRECTOR, VOCATIONAL REHABILITATION AND EDUCATION SERVICE; AND DEAN GALLIN, DEPUTY ASSISTANT GENERAL COUNSEL

Mr. VOGEL. Thank you very much, Mr. Chairman. In addition to having Dr. Wyant with me, I have to my right Dean Gallin of the General Counsel's Office, standing in place of Jim Kane, the Assistant General Counsel.

We are pleased to be here this morning to discuss a number of pending bills amending the Veterans' Administration education programs. I would like to briefly summarize my statement.

With respect to S. 1997, we oppose the provision giving DOD discretionary authority to stretch out the current pay reduction of \$1,200 over 12 months to as low as \$60 over 20 months. We support DOD's position that, since recruitment goals are being met, this change is not needed.

We do favor payment to certain survivors of chapter 30 participants who die on active duty.

S. 820, which Senator Daschle discussed, authorizes flight training for the Montgomery GI bill trainees. We are opposed to such training under the Montgomery GI bill. Our position on flight training continues to be that such training does not accomplish the basic employment objectives of the program. It tends to serve goals that are more avocational and recreational.

The third bill, S. 2383, would extend chapter 34 eligibility to 1977 and 1978 service academy graduates and senior ROTC program graduates. We favor extending chapter 34 benefits to 1977 service academy graduates, but we oppose such benefits as to 1978 service academy and senior ROTC graduates. Our detailed rationale is contained in my formal statement. In addition, this bill would permit withdrawal of up to 6 semester hours for nonpunitive courses for

which no overpayment would be charged. We have no objection to this provision since it is sufficiently limited and seems appropriate.

Section 4 of the bill would make chapters 30 and 106 as well as VEAP Program—chapter 32—trainees eligible for tutorial assistance. Also, the rate of tutorial assistance would increase from \$84 to \$100 a month for 12 months or until a maximum of \$1,200 is paid. We have no objection to this provision since it is consistent with the statutory purposes of VA education benefit programs.

The last bill I will speak to is S. 2307, which contains VA's legislative program. I will highlight some key provisions here since my complete statement will be on the record.

One important provision would authorize cooperative training benefits for Montgomery GI bill and VEAP trainees. Cooperative courses have been a successful part of the training pursued by veterans under prior GI bills, qualifying trainees for direct access to their chosen objectives.

S. 2307 would also eliminate reference to equivalency certificates and, instead, require that to be eligible for chapter 30 benefits, an individual must have certain alternate secondary school credentials accepted by the Armed Forces as being equivalent to a secondary school diploma.

In the vocational rehabilitation area, this bill would permit the use of nonpay programs in State or local government agencies supported in whole or in part with Federal funds to provide the training and work experience appropriate for an eligible service-disabled veterans' program of vocational rehabilitation.

This amendment provides an opportunity to participate to those veterans living near State or local agencies but not near Federal facilities.

In closing, Mr. Chairman, I would like to thank you for introducing S. 2307 on our behalf. I and the members of my staff would be pleased to respond to any questions you or other members of the committee may have.

Senator MATSUNAGA. Thank you very much, Mr. Vogel.

[The prepared statement of Mr. Vogel appears on p. 85.]

Senator MATSUNAGA. I note the presence of the chairman of the committee, Senator Cranston. Senator Cranston, do you have any opening statement or comments you wish to make at this time?

Chairman CRANSTON. Yes, I do, Spark, and thank you very, very much for chairing this hearing. I am very grateful to you for that and for your fine work on this committee generally. And I thank each and all of you for your presence. Forgive me for interrupting at this stage, but I do have some brief remarks that I would like to make before I have to go back to the Senate floor.

OPENING STATEMENT OF CHAIRMAN CRANSTON

Chairman CRANSTON. I join Senator Matsunaga in welcoming everyone who is present for this hearing on education issues affecting veterans and servicemembers. I want to say at the outset that I believe the GI bill for the All-Volunteer Force is doing what this committee intended it to do when we met in this hearing room on February 4 of last year to hear testimony on our bill, S. 12, to make the new GI bill permanent.

The program statistics, by any measure, reflect the effectiveness of the Montgomery GI bill in both the Active duty and Reserve components. During fiscal year 1987, 70 percent of Active duty recruits in all four branches of the military service chose to participate; and thus far in this fiscal year, 78 percent have chosen to participate.

In the Selected Reserve through April 14 of this year, the VA has processed more than 95,000 applications for the program, and Reserve components of all four branches have reported that the Montgomery GI bill is a valuable and cost-effective recruitment tool.

We are immensely proud of the success of this program, and I think we should be very cautious about any changes to its basic structure at this point; and that includes proposals that I myself have put forward. I think we have to be very cautious about this.

Today's agenda focuses on four bills, and I would like to speak just very briefly to two of them and note that my detailed written statement on all four is available at the press table.

First, S. 1997, legislation I introduced on December 21 last year, which is cosponsored by Senator Matsunaga, and four other committee members, Senators DeConcini, Mitchell, Rockefeller, and Graham, by Senators Kennedy and Cohen of the Senate Armed Services Committee, and by Senator Dole, would give discretion to the Secretary of Defense to stretch out the \$1,200 basic pay reduction of Montgomery GI bill participants up to as long as 20 months.

Stretching out these payments could afford even greater numbers of recruits the opportunity to participate.

S. 1997 would also require the VA to pay to the survivor of a participating servicemember who dies while on active duty the total amount that the servicemember's pay had been reduced by reason of participation in the program, minus any amount the participant had received in chapter 30 benefits.

Although I support making this one exception to the nonrefundable and irrevocable nature of the basic pay reduction under current law, this change might inevitably lead to a series of others that might undermine the basically simple, clean-cut approach of the current law.

The second bill I want to speak to briefly is S. 2383, which I introduced on May 12 of this year with Senator Matsunaga and Senator Graham of Florida. That bill has three provisions. First, it would make eligible for Vietnam-era GI bill benefits those 1977 and 1978 service academy graduates and 1978 ROTC graduates who enrolled in VEAP.

It is these individuals who clearly are most likely to have taken into account the availability of Vietnam-era GI bill benefits in making the decision to commit themselves to the active duty obligation entailed in entering the second half of their college careers at the service academies or under the ROTC program.

I believe we should give them the opportunity to receive educational benefits under the chapter 34 program. Second, S. 2383 would allow a student receiving VA-administered educational assistance one instance not to exceed six credits, or the equivalent, of withdrawing from a course or courses with a nonpunitive grade without an overpayment being created.

GI bill beneficiaries should be able to test their academic limits and to make a single course selection mistake without running the risk of incurring a substantial debt to the VA.

The third provision in S. 2383 would, first, make individuals pursuing educational opportunities under the Montgomery GI bill or VEAP eligible for individualized tutorial assistance. And second, it would increase the amount of tutorial assistance payable from \$84 to \$100 per month and the maximum total payment from \$1,008 to \$1,200.

The VA-administered Tutorial Assistance Program has benefited more than 236,000 persons under chapters 34 and 35. I believe it can be just as valuable for chapter 32 and All-Volunteer Force veterans and members of the Selected Reserve.

We are eager to hear testimony on these and other points, during this morning's session. Although I cannot be present, I will be well aware of what has been said and will be taking a look at all that.

Again, Sparky, I thank you for your great interest and for your leadership in the GI bill field; and I thank you again for chairing this very important hearing.

Senator MATSUNAGA. You are most welcome, and I thank you for your excellent statement.

[The prepared statement of Chairman Cranston appears on p. 67.]

Senator MATSUNAGA. Mr. Vogel, I have a few questions. On page 5 of your statement, you state that you have no objection to section 3 of S. 2383, which would permit one instance not exceeding 6 semester hours for a student to withdraw from a course or courses being pursued with VA-administered benefits without an overpayment being granted.

Now, I have two questions. Would implementation of this provision create any administrative burdens for VA regional offices? And two, do you believe that this provision would be helpful as a debt avoidance tool?

Mr. VOGEL. As to the first part, Mr. Chairman, it would be a relatively simple matter for us to put instructions out to our field station personnel explaining how they would adjudicate such claims when there has been an enrollment change due to a student's withdrawing from a given course of instruction.

It would give us an opportunity at that point in time to tell veterans what could happen in the future to their payments should they incur some other instance of course withdrawals.

A typical case now is we catch those individuals by surprise, assess an overpayment against them when similarly circumstanced students in a school don't have that happen to them. We find that in the chapter 30 program to date that about 75 percent of the debts created are due to the student's lack of ability to provide the mitigating circumstances that the law provides for to explain why the student dropped a course and didn't take a punitive grade.

We would like to avoid that overpayment from being created. Sometimes such overpayments—while the dollar amount might not seem to be very great—can tend in fact to drive a student right out of school. We think they ought to be given the opportunity, on a one-time shot, to drop a course and be able to continue to pursue

their education without having to work out an overpayment with the Veterans' Administration.

Senator MATSUNAGA. Now, on page 2 of your prepared statement, you state that the VA supports the provision in S. 1997 to provide for a benefit payment to stipulated beneficiaries or survivors of a Montgomery GI bill active duty participant whose death while on active service is service-connected.

You state further that a payment of this benefit should be funded from the appropriations of the employing agency as the payment of salary foregone. Would you submit for the record the VA's views on whether this payment should and would be subject to Federal income tax?

Mr. VOGEL. Yes, Mr. Chairman, we would be pleased to provide that.

Senator MATSUNAGA. Fine.

[Subsequently, the Veterans' Administration furnished the following information:]

We defer to the Internal Revenue Service as the Agency best suited to discuss the merits of taxation of a chapter 30 death benefit.

Senator MATSUNAGA. And the Retired Officers' Association proposes on page 1 of its statement that service members entering active duty after July 1, 1985 who elected not to participate in the Montgomery GI bill be provided a one-time opportunity to enroll in the program in such a manner that, for example, enrollment would be accompanied with an agreement to extend for at least 2 years of additional service following such an enrollment.

What are the VA's views on this proposal?

Mr. VOGEL. Mr. Chairman, we really haven't formulated a VA view. We have deferred to the Department of Defense on that issue.

Senator MATSUNAGA. Will you then take a look at the proposal and submit to us your response in writing for the record?

Mr. VOGEL. We would be pleased to do so, Mr. Chairman.

Senator MATSUNAGA. Thank you.

[Subsequently, the Veterans' Administration furnished the following information:]

With regard to allowing current servicemembers who have already exercised their option not to participate in chapter 30 a second chance to do so, provided they agree to an additional service commitment, we defer to the views of the Department of Defense, inasmuch as this proposal could have implications for military recruitment/retention policy and objectives.

Senator MATSUNAGA. Thank you. And on May 20, 1988, the chairman requested the Agency's views on S. 2383, including a cost estimate. Could you please check on the status of the response and do what you can to expedite it?

Mr. VOGEL. We certainly will, Mr. Chairman.

[Subsequently, the Veterans' Administration furnished the following information:]

The tapes furnished by the Department of Defense were not in a format which would enable us to produce the requested reports. We unsuccessfully attempted to recreate the tapes to permit us to process and read the information required. We have returned the tapes and requested that they rerun the programs based upon our format specifications. Please be assured we will expedite your requests once the information is furnished to us by the Department of Defense.

Senator MATSUNAGA. On pages 4 and 5 of your testimony, you object to extending chapter 34 eligibility to 1978 service academy and ROTC graduates on the grounds that—and I quote: “Later classes of academy graduates and SROTC members who were in academic pursuit at the time of the statutory cutoff may also seek this type of remedy.”

Now, in the case of those later classes—the classes of 1979 and 1980—when did they actually make their active service commitments? Wasn't it well after the October 14, 1976 enactment date of the legislation closing off chapter 34?

Mr. VOGEL. Mr. Chairman, I am going to refer that question to Dr. Wyant, if I may.

Senator MATSUNAGA. Dr. Wyant.

Dr. WYANT. Thank you, Mr. Vogel. Thank you, Mr. Chairman. We favor such eligibility for the 1977 academy graduates because it was provided for the senior ROTC members at that point. Concerning the question with the 1979 and 1980 graduates—all the classes then coming out and going on active duty—they did have a chance to participate in the new chapter 32 program at that point—the VEAP GI bill—and did have a chance for that readjustment benefit program.

Senator MATSUNAGA. That concludes my questions. Thank you very much for coming this morning and taking time out of your busy day to testify and to answer questions. We will possibly have written questions from members of the committee, which we will submit to you and which we would appreciate your responding in writing for the record by June 1.

Mr. VOGEL. Thank you, Mr. Chairman. We would be pleased to do so, and we would like to thank you for your abiding concern with all matters affecting veterans, including our education programs.

Senator MATSUNAGA. Thank you very much. Our next witnesses are Mr. Stephen M. Duncan, Assistant Secretary of Defense for Reserve Affairs, and Lt. Gen. Anthony Lukeman, Deputy Assistant Secretary of Defense for Military Manpower and Personnel Policy. Secretary Duncan and Secretary Lukeman, it is a pleasure to have you with us this morning. Secretary Duncan, will you please summarize your statement in 5 minutes?

STATEMENT OF STEPHEN M. DUNCAN, ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS

Mr. DUNCAN. Thank you, Mr. Chairman. Good morning. I am very pleased to be here today to have the opportunity to talk for a few moments about the proposed amendments to the GI bill for the Selected Reserves.

Since General Lukeman is here to present testimony on behalf of the Office of Force Management and Personnel, I will try to be brief; and I will restrict my comments, with your indulgence, to the proposed statutory changes which would affect members of the Selected Reserve.

It is already evident that the Montgomery GI bill for the Selected Reserve is a valuable and, I think, significant recruiting and retention tool. In March of this year, I released the results of a 1986

written survey which was taken of some 12,000 officers and over 52,000 enlisted personnel in the Selected Reserve. The survey was, incidentally, the first comprehensive written survey that has ever been taken of members of the Selected Reserve.

One-half of all of the enlisted personnel responding to that survey indicated—that is, the enlisted personnel in pay grades E-1 to E-4—that the use of educational benefits was either a major or a moderate factor in their decision to remain in the National Guard or the Reserve. Participation is also high.

As Senator Cranston noted, as of April 14, over 95,000 reservists have applied for benefits; 90 percent of the enlisted participants are under age 30 and 50 percent are under age 22; 85 percent of the participants are attending school full time or three-fourths time. It seems clear to me that the GI bill is reaching its intended audience, that is, high quality recent high school graduates.

We have—and I want to be candid about it—encountered some initial administrative difficulties in processing individual eligibility information. I might say, however, that these kinds of problems are ones that you would reasonably expect, and many of them fall in the category of human error.

By working closely with the military departments and the Veterans' Administration, we have steadily improved the automated system which is being used to establish eligibility. We have increased our training and educational efforts down at the unit level for the people who have to verify eligibility; and we have established an off-line, expedited corrections procedure to quickly rectify mistakes and to prevent and correct benefit terminations. The administrative challenges, I think, are being quickly overcome.

Now, the committee requested that I comment today on the proposed changes to the Montgomery GI bill, which are contained in S. 1997, S. 820, S. 2307, and S. 2383. Most of these proposals are, of course, more directly related to the Active Forces; but five would directly affect the Reserve components.

We support the proposals which, first, relate to the elimination of the high school credential requirement; second, would permit deficiency, remedial, and refresher training; third, would permit tutorial assistance; and fourth, would allow up to 6 hours of nonpenalty course withdrawals without charging benefits.

We do request, however, that the Secretary of Defense, rather than the Secretaries of the military departments, be given the authority to determine what should be considered to be equivalent to a high school diploma. I might just add parenthetically that we are requesting this so that we can have some uniformity within the Department and not have policies which seem to be contradictory, simply based on which service an eligible participant might be in.

We continue to oppose adding flight training as an authorized benefit.

With that, Mr. Chairman, I have no further opening remarks; but of course, I would be happy to respond to any questions.

Senator MATSUNAGA. Thank you very much, Secretary Duncan. Now, we will hear from Secretary Lukeman.

[The prepared statement of Mr. Duncan appears on p. 94.]

STATEMENT OF LT. GEN. ANTHONY LUKEMAN, USMC, DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR MILITARY MANPOWER AND PERSONNEL POLICY

General LUKEMAN. Thank you, Mr. Chairman, for the opportunity to give some additional views of the Department of Defense on this proposed legislation; and thanks most particularly to you and other members of the committee for your continuing and effective interest in and concern for the education of military people and veterans.

My responsibility in the Department in a nutshell is to support the policies and to make the policies work that are going to get good young people into uniform and then either to stay in uniform, if that is the right thing for them, or if it isn't, to go out with a little more maturity and confidence and knowledge and be contributors to the purposes of this splendid democracy.

Well-conceived programs of education add to that maturity and confidence and, most particularly, to the knowledge of our people; and they will pay the Nation back many times over in the form of responsible citizens who will better appreciate how fragile and rare are the privileges of being free and secure and American.

All of the legislative proposals you are considering here today are, in my opinion, well-considered and designed to contribute positively to those overall goals. We support almost all of them.

For those that we don't support, it is a matter of judgment concerning the benefits we might gain compared with the cost of those benefits. Our positions are contained in my formal statement, and I welcome your questions.

Senator MATSUNAGA. Thank you very much. I don't know whether to call you "general" or "secretary." Which would you prefer?

General LUKEMAN. General or Tony is just fine, sir. [Laughter.] [The prepared statement of General Lukeman appears on p. 106.]

Senator MATSUNAGA. Secretary Duncan, on page 5 of your written statement, you indicate that, although benefit payments to reservists continue to be difficult to manage, there has been a steady improvement in the accuracy and timeliness of automated data from the services to the Defense Manpower Data Center relating to the eligibility of reservists.

Could you please state specifically what is being done to enable the services to upgrade and expand their in-house automation capabilities to a level at which full reliance on the automated eligibility reporting system would be feasible?

Mr. DUNCAN. I might note first, Mr. Chairman, that all of the services are stepping out pretty smartly. We started this process with a document; eligibility was being verified by simply asking the reservist to submit a piece of paper called a "Notice of Basic Eligibility." What we are doing now, and what we are working toward, is an automated system.

So, in effect, we will have a dual system. It will be fine to have the piece of paper, but if the piece of paper is hung up somewhere down the line, each service will have an automated system that will transmit eligibility data from that service to the data center

for that service, and then from there to DMDC in Monterey, CA; and then it goes to the Veterans' Administration.

We are trying to speed up the process, and part of our effort has to do with educating people down at the unit level on how to use an automated system, how to report eligibility data once the criteria have been met; and as they become more experienced and the services instruct their people how to do it, the problems will continue to be reduced.

We have also asked the services to speed up whatever resources may be necessary to build an automated system that works. There have been some very recent developments which I will just cite by way of example, that demonstrate why we are confident that we are making progress.

The Navy has an extensive automation upgrade under way, for example, the Navy Inactive Manpower and Personnel Management Information System. A redesigned phase I software system is scheduled for implementation in June, and this will enhance the transfer of data to DMDC.

And in November, we expect that the Commander, Naval Reserve Force will implement a whole new automated management information system which will permit electronic transfer of data from the field to headquarters, rather than relying upon optical scanners and magnetic tape conversions.

There are a lot of technical reasons, but the gist of it is that we are moving out quickly toward an automated system within each service; and once that happens, I think the number of glitches will go down dramatically.

Senator MATSUNAGA. General or Tony, I should say, S. 1997 contains a provision which would allow the Secretary of Defense, after consultation with the individual Service Secretaries, the Secretary of Transportation, and the Administrator of Veterans' Affairs to spread out the \$1,200 pay reduction under the Montgomery GI bill to as low as \$60 per month and for as long as 20 months.

How would the Secretary of Defense utilize this authority if it were enacted?

General LUKEMAN. I believe that we would stay with the present law, sir. That is, we would continue to have pay reductions in the amount of \$100 a month.

The reason for that is that we have very healthy participation now, as the chairman mentioned earlier; somewhere in the vicinity of about three-quarters of our people are participating in it. So, we think that the number of additional people who might participate would be relatively low.

And second, there is a one-time cost involved in it. We recoup about \$216 million at the rate of \$100 a month; and over that same period of time, which is the first year of people coming in after the law might be changed, we would recoup, at \$60 a month, only about \$128 million or thereabouts—about an \$88 million difference.

So, there is a cost involved for that period of time. So, I think we would stick with the \$100 a month, sir.

Senator MATSUNAGA. Thank you. Now, the Retired Officers Association proposes on page 1 of its statement that servicemembers entering active duty after July 1, 1985 who elected not to participate in the Montgomery GI bill be provided a one-time opportunity to

enroll in the program in such a manner that, for example, enrollment would be accompanied with an agreement to extend for at least 2 years of additional service following such an enrollment.

What are the Defense Department's views on this proposal?

General LUKEMAN. If I may, sir, I am not familiar with that provision of the Retired Officers Association statement; and I would like to give it a careful look and get back to the chairman on that.

Senator MATSUNAGA. Then, will you submit the response in writing for the record, please?

General LUKEMAN. I will.

Senator MATSUNAGA. No later than June 1.

General LUKEMAN. Yes, sir.

[Subsequently, General Lukeman furnished the information which appears on p. 235.]

Senator MATSUNAGA. I thank you both very much for your appearance here this morning. We may have questions from other members of the committee, which we will submit in writing to you; and we ask that you respond in writing for the record by June 1.

Mr. DUNCAN. We will be happy to do so.

Senator MATSUNAGA. Thank you very much.

Mr. DUNCAN. Thank you, Mr. Chairman.

General LUKEMAN. Thank you, sir.

Senator MATSUNAGA. Our next panel of witnesses consists of the following. Will you please come forward to the witness table? Mr. Charles R. Jackson, vice president for Government affairs of the Non Commissioned Officers Association; Mr. Robert Nolan, national executive secretary of the Fleet Reserve Association; Col. Edward Smith, director, membership services of the Association of the U.S. Army; and Col. Charles Partridge, legislative counsel of the National Association for Uniformed Services.

Thank you all very much, and we will proceed initially with Mr. Jackson.

STATEMENT OF CHARLES R. JACKSON, EXECUTIVE VICE PRESIDENT, GOVERNMENT AFFAIRS, NON COMMISSIONED OFFICERS ASSOCIATION

Mr. JACKSON. Good morning, Mr. Chairman. The Non Commissioned Officers Association, representing more than 160,000 active reserve, retired, and veteran members, appreciates the opportunity to appear before the committee this morning to address improvements in veterans' education programs.

Specifically, we would like to address S. 1997, S. 820, S. 2383, and S. 2307. NCOA, Mr. Chairman, has four priorities for improving veterans' education programs.

First and foremost, NCOA believes that participation fees should be eliminated. Extending the pay reduction period is a solution only if fees cannot be eliminated. NCOA further believes that refunds to survivors of participants unable to use the benefits is indeed an appropriate response.

Second, special exception should be made for career service members forced to leave service prior to June 30, 1988 because of service high year tenure regulations.

Third, service members eligible for chapter 32 VEAP benefits should be permitted to convert to the Montgomery GI bill.

Finally, the GI bill should be available at reenlistment for those who are financially unable to participate during initial enlistment.

Mr. Chairman, NCOA has long believed that participation fees for veterans' education benefits discriminate against those most needy of assistance and those most likely to benefit from the program. Thirty percent of the recruits entering the service today are married; and at a time when their military earnings are at their lowest levels, service members are required to forfeit nearly 20 percent of their base pay for future education benefits.

Many who would like to participate in the program simply cannot afford to do so. S. 1997 allows the Secretary of Defense to set pay forfeitures at levels between \$60 and \$100 per month. In the absence of elimination of the fees, NCOA strongly supports this initiative of S. 1997.

The exception NCOA seeks for career service members is, in reality, a matter of equity. These individuals—many veterans of multiple combat tours in Vietnam—who are eligible for training under chapter 34, remained on active duty with full intention of meeting the service requirements for eligibility to participate in chapter 30.

They now find themselves forced to leave service before July 1, 1988 because of military high tenure personnel policies. While officers may serve until age 62, enlisted members are forced to retire or denied reenlistment on the basis of rank and years of service.

NCOA urges the committee to consider special provisions to allow eligibility for chapter 30 benefits for this special group of service members.

The association is supporting open enrollment to VEAP eligibles also as a matter of equity. The original chapter 30 legislation approved by this committee envisioned an automatic conversion of VEAP eligibility to the chapter 30 program upon reenlistment. Unfortunately, these provisions were dropped in the approved legislation; and these members now find themselves trapped in a vacuum between the more generous chapter 30 and chapter 34 programs.

NCOA believes that these service members who carried us through the manpower crisis of the late 1970's and the early 1980's are most deserving of the same kind of benefits offered to their predecessors, successors, and, indeed, many of their contemporaries.

We encourage the committee to include legislation authorizing enrollment of VEAP eligibles into the chapter 30 program.

NCOA's final point of open enrollment upon reenlistment will both encourage people to remain in service and allow participation in the GI bill by those unable to participate in their initial enlistment.

Originally, the chapter 30 program was slated as a 3-year test program; therefore, the reenlistment option was not included in the legislation. Now that the program is a permanent program, it seems to make sense to add this additional feature.

As we previously stated, NCOA believes participation fees discriminate against the economically disadvantaged. However, NCOA does support the initiative contained in section 1 of the bill.

Section 2 of the bill provides for a death gratuity to survivors of service members who die on active duty. NCOA believes that, though well intended, this initiative falls far short of the mark. The gratuity should be paid to survivors in any instance in which a service member is precluded from using the benefit due to premature death.

The survivor of a veteran who dies in a dormitory fire during his first week on campus, or the survivor of a veteran who dies in a VA hospital from a service-connected cause, are both as entitled to the gratuity refund as the active duty service member's survivors.

NCOA urges the committee to include these survivors under the death gratuity provisions of S. 1997.

S. 820, NCOA is pleased to offer its support to authorizing benefits for flight training under the provisions of chapter 30 and chapter 106.

NCOA has strong reservations concerning the merits of section 2 of S. 2383, extending the benefits of chapter 34 entitlements to certain 1977 and 1978 service academy graduates and 1978 graduates of the Senior Reserve Officer Training Corps. This section would provide benefits for only those class members who were participating in the program while providing nothing to their classmates. We see the situation as no different from the active duty member who was on duty on July 1, 1985. They were both caught by legislative cutoff dates.

We support sections 3 and 4 of S. 2383. We support all of the provisions of S. 2307. And I thank you for your attention, sir.

Senator MATSUNAGA. Thank you very much, Mr. Jackson.

[The prepared statement of Mr. Jackson appears on p. 111.]

Senator MATSUNAGA. We will be happy to hear from you now, Mr. Nolan.

STATEMENT OF ROBERT W. NOLAN, NATIONAL EXECUTIVE SECRETARY, FLEET RESERVE ASSOCIATION

Mr. NOLAN. Thank you, Mr. Chairman. The Fleet Reserve Association has just finished hosting full-day seminars of the sea services enlisted leadership in Norfolk, VA, Jacksonville and Pensacola, FL, and San Diego, CA. We personally invited the command master chief petty officers, the Marine command sergeant majors, and Coast Guard senior enlisted advisers, command career counselors, and Navy ombudsmen to attend the seminars and discuss the issues.

We also invited all ranks and petty officers of all the services in the area to come and tell us their views. I have for you this morning, Mr. Chairman, one of the kits that each of the active duty people received so they would see the intent of the soundoff panel and hearings; and the hearings went much as this hearing here this morning.

Senator MATSUNAGA. It will be made a part of the record.

[The kit furnished by Mr. Nolan is retained in the committee files.]

Mr. NOLAN. They told of their pleasure at having the Montgomery GI bill replace the Veterans' Education Assistance Program.

We asked them: What are the primary reasons that those who did not enroll in the peacetime GI bill chose not to do so?

Almost without qualifications, they replied: Those personnel did not feel they could afford to contribute the required \$100 for 12 months. Everyone agreed that they sincerely believed that, if a smaller monthly contribution over a longer period of time is enacted, it would enhance enlisted participation appreciably.

And I might add, sir, that even if it only enhanced it a small percentage, it would remove the perception that the enlisted personnel seem to have that \$100 a month—which amounts to approximately 20 percent of those young fellows' pay—is a pretty hefty chunk to pay right away.

FRA has analyzed this, and we recommend the most equitable and practical way to administer a reduction in the monthly contribution. That would be to do it for \$60 a month over a period of 20 months; and we recommend that provision of S. 1997.

The FRA fully supports the provision of the survivors payment provision of S. 1997. The provision's clear equity needs no justification. We wonder if, in its wisdom, the committee has considered the lot of a person eligible for this lost benefit who become disabled to the extent that they are unable to avail themselves of the lost benefits.

Is not the refund of a disabled veteran's contributions under such conditions fully justified?

We support the provisions of S. 820, and on the tutorial assistance provisions of S. 2383. The FRA supports the increased tutorial assistance allowance to increase the maximum allowance from \$84 to \$100 a month.

The Fleet Reserve Association strongly recommends the addition of two provisions to the pending legislation. These provisions will safeguard certain careerist benefits. Please recognize that in the attempt to achieve success for the All-Volunteer Force, the enlisted military careerist has been the helpless victim of VEAP, various bonus programs and vacillating compensation policies.

Based upon this experience, the enlisted military careerist perceives that he is a victim of inequity in obtaining certain educational benefits. Very possibly, this is true of the sea service personnel more than the personnel of the other two services.

Serving a majority of your career at sea is not conducive to pursuing a higher education. A very large percentage of active duty personnel recognized VEAP for exactly what it was—a very poor dime store imitation of the cold war GI bill.

Therefore, they did not elect to participate in that sham of an education program. Because of this, they were not included in the temporary enrollment period provided for in the Montgomery GI bill.

The Fleet Reserve Association contends that any such person serving on active duty most certainly should receive the same opportunities as their colleagues who, solely by the fortune of their enlistment date, are eligible for the Montgomery GI bill.

Our second recommendation would resolve the inequity of those persons now serving on active duty who are entitled to the benefits of the cold war GI bill, but will forfeit or shorten this entitlement because they have remained on active duty beyond a time that it

would allow their schooling to be completed before December 31, 1989 when the cold war GI bill benefits terminate.

And I might remind the committee, if I may, that the cold war GI bill, which was spearheaded by Senator Yarborough in this body, had the provision that a military careerist could serve 30 years and then his 10 years' education benefits became—not when he just reenlisted, but once he left the service.

And we feel that those two benefits would go hand in hand with improving the enlisted personnel's perception and do much to enhance the education of enlisted personnel, Mr. Chairman.

Senator MATSUNAGA. Thank you very much, Mr. Nolan.

[The prepared statement of Mr. Nolan appears on p. 117.]

Senator MATSUNAGA. We will be happy to hear from you now, Colonel Smith.

STATEMENT OF COL. EDWARD P. SMITH, U.S. ARMY (RET.), DIRECTOR, MEMBERSHIP SERVICES, ASSOCIATION OF THE UNITED STATES ARMY

Colonel SMITH. Thank you, sir. It is a pleasure to present the views of our 160,000 members to the committee. We concur in both provisions within S. 1997 and urge their implementation soonest.

In addition to supporting compensation for earned but unused benefit payments to survivors of active duty participants who die while serving their country, we recommend that the same consideration be given to survivors of Reserve component personnel who paid their \$1,200 while on active duty, completed their enlistment, left the service, and joined the Selective Reserve, and subsequently die as a result of an injury while involved in inactive duty training status.

We were previously opposed to the use of Federal funds to train veterans for avocational flight training. However, we note that the sponsors of S. 820 say that there are sufficient safeguards in this bill to ensure training to only those preparing for a vocational career in the field of aviation. As a result, we concur in and offer our support to S. 820.

Regarding S. 2383, for reasons of equity, the Association of the United States Army supports each of three proposed benefits amendments.

S. 2307, with its many amendments, is in general supported, with one exception. The Association of the United States Army believes that section 103 is unfair. Instead of disenrolling those who find themselves being given an early release or a discharge because of a preexisting medical condition, we recommend that the bill be amended to guarantee that the educational assistance benefits are provided to these service members.

These individuals volunteered to serve their country, were examined fully by Government doctors before their enlistment, were enrolled in the Montgomery GI bill educational benefits program, and then subsequently—by no fault of the service member—were discharged for a preexisting medical condition.

We believe the Government had ample opportunity to discern this disability before induction and, not having done so, should not later deny the benefits offered at recruitment and induction.

Similarly, we also believe benefits should be provided for three other early release categories: those separated for the convenience of the Government during a reduction in force and no fault of the Armed Forces members; those released early to attend ROTC; and those who become sole surviving sons or daughters and, as such, become the last of the line of a given family.

Rather than disenrolling them and returning their contributions as S. 2307 proposes, we urge that you take action to ensure their enrollment and provide the benefits to them.

Thank you, Mr. Chairman.

Senator MATSUNAGA. Thank you very much, Colonel Smith.

[The prepared statement of Colonel Smith appears on p. 123.]

Senator MATSUNAGA. We would be happy now to hear from you, Colonel Partridge.

**STATEMENT OF COL. CHARLES C. PARTRIDGE, U.S. ARMY (RET.),
LEGISLATIVE COUNSEL, NATIONAL ASSOCIATION FOR UNIFORMED SERVICES**

Colonel PARTRIDGE. Thank you, Mr. Chairman. I welcome the opportunity to present the views of the National Association for Uniformed Services to this distinguished panel.

We support the provisions of S. 1997, which provide for a stretchout of the basic pay reduction up to 20 months; and we also support the provision to pay survivors an amount equal to the service member's contribution in the event of his death on active duty.

We would also suggest that this authorization be expanded to apply to those who die of a service-connected illness after their release from active duty, without a time limit.

Concerning S. 2383, we think the provision to allow a one-time course withdrawal option and tutorial assistance is an absolute necessity to encourage students to take the tough, challenging courses that we would like them to take. We think this feature will be a great benefit in that regard so that a student won't feel that, he perhaps will fail a course, but that he is going to have a financial penalty as well.

We believe this is not only going to help the individual veteran, it is going to help our Nation in terms of providing graduates of the more difficult disciplines.

We also support very strongly the provision which would repay the entire amount of the military pay reduction for service members who receive an early discharge or release from service for a preexisting non-service-connected medical condition. The U.S. Government doesn't want to be in the position of benefiting from a person's problems, and we think this is an equitable correction to the bill.

These changes to the Montgomery GI bill—already the most significant piece of legislation in this decade affecting the quality of our Armed Forces—will make it an even more equitable and effective means of aiding the transition of veterans to civilian life while providing the Nation with another source of productive educated citizens.

Thank you very much for this opportunity, Mr. Chairman.

Senator MATSUNAGA. Thank you, Colonel Partridge.

[The prepared statement of Colonel Partridge appears on p. 127.]
 Senator MATSUNAGA. I wish to thank each of you. As I recall, each of you testified before this committee on February 4 of last year in support of S. 12 to make the new GI bill permanent; and due to your leadership and support, we accomplished that goal.

And with your support and continued leadership, I think we will continue to improve benefits to the servicemen as well as to veterans. Thank you very much.

Our next panel of witnesses consists of Mr. Sam Walsh, assistant legislative director, The American Legion, and Mr. Phil Wilkerson, assistant director of veterans' affairs and rehabilitation of the National Legislative Commission, The American Legion; Mr. Dennis Cullinan, assistant director of the National Legislative Service, Veterans of Foreign Wars of the United States; and Mr. John Bollinger, associate legislative director of the Paralyzed Veterans of America.

We would be happy to hear first from you, Mr. Walsh.

STATEMENT OF SAMUEL J. WALSH, ASSISTANT DIRECTOR, NATIONAL LEGISLATIVE COMMISSION, THE AMERICAN LEGION, ACCOMPANIED BY PHILIP R. WILKERSON, ASSISTANT DIRECTOR, NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION

Mr. WALSH. Thank you, Mr. Chairman. With me this morning is Mr. Wilkerson, who will present our testimony. Thank you.

Senator MATSUNAGA. Mr. Wilkerson.

Mr. WILKERSON. Thank you, Mr. Chairman. The American Legion appreciates the opportunity to present its views on several bills to improve the program of education assistance provided for active duty and members of the Selective Reserves under chapters 30 and 32 of title 38.

In addition, we also wish to offer comment upon two related issues, which are of particular concern to this organization.

S. 820 would authorize approval of flight training for individuals entitled to educational assistance under chapter 30 of title 38. The American Legion is supportive of this proposal to make available flight training for Montgomery GI bill participants. It is designed to assist veterans who have completed basic flight training, either through private or military sources, and are interested in pursuing a legitimate vocational goal in the field of education.

S. 1997 would allow participants the option of stretching out the required reduction from their basic pay over a period of up to 20 months rather than the current 12-month period. It would also provide for a payment to certain survivors of active duty and Selective Reserve participants in the Montgomery GI bill the amount contributed by the individual in the event of a service-connected death while serving on active duty.

The Montgomery GI bill as amended has proven to be a valuable recruitment tool. We believe the provision of S. 1997 extending the period of time within which to make the required \$1,200 contribution will serve to increase the number of personnel taking advantage of this program.

The reduction from their basic pay each month will be smaller and therefore less of a financial burden. We also believe it is necessary to refund a participant's contribution in the event of their death in service.

S. 2307 proposes a number of amendments to title 10 and title 38 affecting programs of educational assistance provided veterans and other eligibles under the Montgomery GI bill, the post-Vietnam Veterans Educational Assistance Programs. The American Legion supports the proposed expansion of these educational assistance programs to include cooperative training.

This bill also provides for a lump sum refund of contributions made by a participant under the Montgomery GI bill following the release from active duty or the Selective Reserves for a non-service-connected medical condition.

Section 103 of S. 2307, however, limits a refund to those specific individuals who are discharged for a preexisting medical condition determined by the Veterans' Administration to be not service-connected.

We believe that, under these circumstances, such veterans clearly deserve a refund. Moreover, there may be other veterans who, for good and proper reasons, are forced to leave active duty or who are otherwise unable to continue their participation in the program.

These other veterans, in our view, entered into the program in good faith and also deserve to receive a refund of the contributions made to the program from their basic pay. We urge your favorable consideration of this change.

S. 2383 would permit a limited withdrawal from certain educational courses without penalty, as well as to increase the rates of supplementary educational assistance for tutorial assistance to \$100 and a maximum of \$1,200. The American Legion would not be opposed to these amendments.

Mr. Chairman, there are two additional issues which we also wish to bring to the committee's attention.

One concerns a problem under current law wherein veterans enrolled in noncollege degree courses in accredited institutions, which offer both noncollege degrees and institute of higher learning types of courses, are subject to more stringent rules in the areas such as course load management and attendance monitoring.

Thus, it is now possible to have two veterans attending the same classes, but each receives different credits toward his individual educational program. And likewise, attendance of one individual may be strictly monitored, and the other may not, depending on the type of program the veteran is enrolled in.

We would hope this committee would undertake consideration of this matter and provide a remedy to this inequity.

The American Legion wishes to take this opportunity to express our support for S. 2328, introduced on April 25 of this year by Senator Specter. This legislation would extend the time limitation for eligibility entitlement to educational assistance and training, as well as rehabilitation services for any period during which the applicant suffers from alcoholism.

This provision would apply to the programs of educational assistance under chapters 30, 32, 34, and 35, as well as vocational rehabilitation under Chapter 31.

The recent decision by the Supreme Court in the litigation of *Trainer and McKelvey v. Turnage* affirmed the current restriction on Veterans' Administration benefits related to alcoholism. The proposed legislation would remove this restriction, and we wish to offer our support at this time.

That concludes our statement. Thank you, Mr. Chairman.

Senator MATSUNAGA. Thank you, Mr. Wilkerson.

[The prepared statement of Mr. Walsh and Mr. Wilkerson appears on p. 131.]

Senator MATSUNAGA. Now, we will hear from Mr. Cullinan of the Veterans of Foreign Wars.

STATEMENT OF DENNIS M. CULLINAN, ASSISTANT DIRECTOR, NATIONAL LEGISLATIVE SERVICE, VETERANS OF FOREIGN WARS OF THE UNITED STATES

Mr. CULLINAN. Thank you, Mr. Chairman. On behalf of the entire membership of the Veterans of Foreign Wars, I wish to thank you for affording us this opportunity to present our views on legislation affecting the educational programs for veterans and service members.

The VFW is highly gratified to be included in this forum, which is intended to refine and improve this Nation's highly successful veterans' educational programs.

The first bill we will take up today is S. 820, legislation to provide veterans educational assistance benefits for flight training. This bill would authorize the pursuit of flight training for active duty service members and reservists participating in the Montgomery GI bill.

The VFW approvingly notes the fact that the bill is designed to discourage the use of flight training for avocational purposes. We support the enactment into law of S. 820.

The next bill under consideration is S. 1997, legislation to amend title 38 to authorize stretching out of the \$1,200 basic pay reduction of the Montgomery GI bill participants and provide for payment to the survivors of certain participants who die while on active duty. The VFW is on the record as supporting such alternate pay reduction formula.

We believe veterans should be afforded the alternate contribution schedule, which would allow them to spread their payments over a longer period of time to reduce the monthly reduction in wages. There are individuals—those who are married or must help support parents or family back home—who cannot afford the \$100 reduction in the relatively low salary earned in the first year of active duty in the Armed Forces.

The VFW strongly supports this section.

Section 2 of S. 1997 would require the VA to pay the survivor of a participating service member who died or dies from service-connected causes while on active duty the total amount the service member's pay had been reduced, minus any amount the participant had received in chapter 30 benefits.

The VFW supports this section. We view this as being a wise and compassionate modification of current law.

We would additionally urge that this exception be extended to the veteran participant himself when that veteran may not pursue a program of education due to a service-connected disability.

The next bill under consideration today is S. 2307, a bill introduced at the request of the Administrator of Veterans' Affairs, which is entitled "The Veterans' Educational Assistance Improvements Act of 1988."

Due to time constraints, we will not address each of this bill's numerous provisions individually. I will summarize our position on this bill by saying that we generally support this legislation and have no objections to any of its individual provisions.

The final bill under consideration is S. 2383, a bill introduced by Chairman Cranston for himself and yourself, Senator Matsunaga, and Senator Graham. Section 2 of this bill will make eligible for Vietnam-era veterans GI bill benefits under chapter 34 those individuals who, before January 1, 1977, commenced the third academic year as a cadet or midshipman at one of the service academies or as a member of the SROTC Program of educational assistance.

The VFW is currently on the record in support of the restoration of the Vietnam-era GI bill eligibility to 1977 and 1978 service academy graduates. We also support the restoration of this benefit to the aforementioned SROTC participants.

We believe these individuals were inadvertently and unfairly deprived of this benefit by the Congress when the Vietnam-era GI bill was repealed in 1976. In our view, it was an oversight and certainly not the intent of the Congress to deprive these outstanding members of the Armed Forces of an educational benefit to which they were entitled.

Section 3 of this bill would provide for a one-time course withdrawal without repayment benefits. This section would provide the veteran with a fair and realistic course of action, namely dropping an overly taxing course so that his academic standing may be protected and not get hit with an overpayment by the VA.

The VFW strongly supports this section of the bill.

Section 4 will make eligible individualized tutorial assistance to certain individuals who are pursuing an educational program under the Montgomery GI bill, or the post-Vietnam-era GI bill, as well as for certain members of the Selective Reserve under title 10, chapter 106.

The VFW views such tutorial assistance as being an invaluable adjunct to the attainment of advanced education and/or vocational goals for the educationally disadvantaged. Thus, we strongly support this section.

Mr. Chairman, this concludes my statement.

Senator MATSUNAGA. Thank you very much, Mr. Cullinan.

[The prepared statement of Mr. Cullinan appears on p. 144.]

Senator MATSUNAGA. We will be happy to hear now from you, Mr. Bollinger.

**STATEMENT OF JOHN C. BOLLINGER, ASSOCIATE LEGISLATIVE
DIRECTOR, PARALYZED VETERANS OF AMERICA**

Mr. BOLLINGER. Thank you very much, Mr. Chairman. It is a pleasure for me to be here today and present the views of the Paralyzed Veterans of America. I would like to preface my remarks by expressing PVA's sincere appreciation to you for your efforts in making the Montgomery GI bill a permanent reality.

The ultimate passage of Public Law 100-48 enacted last summer has resulted in the best educational incentive the Federal Government has to offer today, and we thank you. We congratulate the Senate Committee on Veterans' Affairs for its role in this important piece of legislation.

The Montgomery GI bill continues the tradition of excellence in VA education assistance programs. As it gains in popularity and gathers speed, we must recognize the need to fine tune the program in order to best serve our Nation's veterans and service personnel.

Mr. Chairman, you properly introduced legislation which would result in the improvement of several such programs. We extend our appreciation. We also wish to thank Senator Daschle for his concern regarding the flight training program as it pertains to chapter 30 and chapter 106.

I would first like to address S. 2307, the Veterans' Education Assistance Act of 1988. In general, PVA can support most of the proposals contained in S. 2307. Although we do have several concerns, we feel that the intention of the legislation is to bring uniformity to the various education programs administered by VA and to make certain necessary technical adjustments.

We support the addition of cooperative training for chapter 30 and chapter 32 participants. We believe it is proper to include such training along with apprenticeship and other on-the-job training programs.

Regarding section 102, PVA feels that it is important to have uniform and properly acceptable standards when considering secondary school credentials. We have no objection to reasonable uniform regulations being promulgated for this program.

Sections 103 and 104 constitute just methods by which certain individuals participating in the Montgomery GI bill can receive repayments or benefits. We can support these or similar provisions.

PVA also supports section 105 of S. 2307, which would allow the Vocational Rehabilitation and Education Service the use of nonpay programs in State or local government agencies. Our concern with this provision is in regard to VR&E's ability to adequately monitor such training in these facilities.

VR&E service must be authorized to properly guard against abuse of section 105 and to ensure that such training is in the best interests of the veteran and the Federal Government.

Regarding section 106, PVA sees no reason to exclude incarcerated chapter 32 recipients from provisions which are applicable to all other incarcerated veterans receiving benefits under other VA education programs.

Regarding section 203, PVA agrees that there should be a uniform policy for treating remedial, refresher, and deficiency courses.

We do disagree, however, with the manner by which the administration proposes to accomplish this.

In the case of a program such as chapter 30, where the maximum entitlement is 36 months of assistance, an individual using 9 months of entitlement for, let's say, a remedial or refresher course would be unable to utilize the balance of his entitlement to cover a 4-year college.

PVA, therefore, believes it would be proper to create uniformity in all education programs by not charging entitlement.

Regarding S. 1997, PVA agrees with the intent of your proposal, Mr. Chairman, to modify the manner in which chapter 30 participants' basic pay is reduced in order to accumulate the required \$1,200. We agree that if such a proposal is enacted, it should be consistent among the four service branches.

S. 1997 would also provide for payments to the survivors of an individual enrolled in the Montgomery GI bill who dies while on active duty due to service-connected causes. PVA feels this represents a compassionate, responsible manner by which such chapter 30 contributions could be administered.

S. 820, introduced by Senator Thomas Daschle, would provide education assistance for chapter 30 and chapter 106 participants in pursuit of flight training. PVA is concerned that present legislation does not go far enough to ensure that such training is used for vocational objectives and not recreation.

We are specifically concerned with the provision that allows flight benefits if such training is generally recognized as ancillary to the pursuit of a vocational endeavor other than aviation.

I see my red light is on, Mr. Chairman, so I will terminate my testimony.

Senator MATSUNAGA. Thank you very much, Mr. Bollinger.

[The prepared statement of Mr. Bollinger appears on p. 154.]

Senator MATSUNAGA. I thank each and every one of you for taking the time to present your testimony before this committee. The organizations which you represent have supported the GI bill for some four decades; and in the decade of the 1980's, you helped the Congress finally to accomplish the goal of making the GI bill permanent.

You have helped, of course, to make permanent the opportunities for veterans and service members for decades to come. Now, as I did with the previous panels, I would like to ask each of you to submit in writing—because I know you haven't had time to look at or think about it—your comments on the proposal made by the Retired Officers Association that service members who elected not to participate in the Montgomery GI bill be given a one-time second chance to enroll in chapter 30 if they make a commitment of additional years of service or agree to a pay reduction.

And second, to make a brief statement of your views on the NCOA's proposal to give current service members who are eligible for chapter 32 an opportunity to enroll in chapter 30 on the basis of a commitment of additional years of service or have a pay reduction.

Since I note that the members of the previous panel are still in the audience, I would like to ask them also to submit for the record written statements on those two proposals.

[Subsequently, the Veterans' Administration furnished the following information:]

We would have no objection to incorporating into chapter 30 all chapter 32 participants who voluntarily elect to participate in the chapter 30 education program. Certain eligibility and administrative problems would have to be overcome to permit an orderly transfer to the chapter 30 program.

[Additional responses may be found in the written committee questions and responses in the appendix.]

Senator MATSUNAGA. Now, Mr. Cullinan, the committee appreciates the VFW's offer on page 2 of your testimony to provide the committee with the results of your survey on the administration and effectiveness of veterans' educational programs. The committee would welcome receiving your findings as soon as they become available.

Mr. CULLINAN. Thank you, Mr. Chairman. We will be happy to provide that.

Senator MATSUNAGA. And thank you again, each and every one of you, for appearing before this committee.

Our next panel of witnesses consists of Mr. Allan W. Ostar, president of the American Association of State Colleges and Universities; Ms. Sandra L. Ritter, trustee, Oakland Community College, on behalf of the American Association of Community and Junior Colleges, accompanied by Mr. Frank Mensel, vice president for Federal relations; Ms. Bertie Rowland, president of the National Association of Veterans' Program Administrators; and Mr. Glen Morris, president, and Mr. Jon Westby, past president, National Association of Veterans' Upward Bound Project Personnel.

We would be happy to hear from you first, Mr. Ostar.

STATEMENT OF ALLAN W. OSTAR, PRESIDENT, AMERICAN ASSOCIATION OF STATE COLLEGES AND UNIVERSITIES

Mr. OSTAR. Thank you, Mr. Chairman, for the opportunity to testify on the various bills before this committee. Although I serve as a member of the Commission to Assess Veterans' Education Policy, I am not testifying on behalf of the Commission, but rather as an educator with a longstanding interest in education for men and women in the armed services and veterans and as a beneficiary of the World War II GI bill.

I want to commend the chairman and members of the committee for their leadership in establishing the Montgomery GI bill. The bill already is proving to be an investment which is paying rich dividends, both in attracting high-caliber men and women to the armed services and making it possible for able individuals to attain a postsecondary education and thus enhance their contributions to American society.

Now that there has been some experience with the Montgomery GI bill, I think it is appropriate to consider several modifications and do some fine tuning.

With respect to S. 1997, I would like to go on record in strong support of the provisions to authorize the stretching out of the \$1,200 basic pay reduction and to provide for a payment to survivors of participants who die on active duty.

I am convinced that giving new recruits the option of reducing the amount withheld from their basic pay from \$100 down to \$60 will make participation in the GI bill much more feasible for those who need to send money home to assist in the support of their families.

One of the principal public policy objectives of our association is to reverse the alarming decline in the college going rates of minorities who have graduated from high school. One explanation for this situation is that financial obstacles to pursuing a college education are simply too difficult to overcome, particularly for those who need to take low-paying jobs in order to support their families.

Reducing the monthly bite from their pay and stretching out the period of pay reduction up to 20 months will, in my opinion, make the armed services a more attractive option for able high school graduates from low-income families or those with family obligations, and thus increase their participation in the GI bill.

While I continue to support the current policy of making the pay reduction for educational benefits nonrefundable and irrevocable, there is clear justification for one exception, and one exception only, based on service-connected death of an active duty participant, such as those who died on the U.S.S. *Stark*.

Regarding S. 2307, I believe the modifications recommended by the Administrator of Veterans' Affairs are justified and needed and are based on experience with previous GI bills.

I would, however, recommend that section 203(d)(3) be revised to require that the Administrator only approve enrollment in a deficiency, remedial, or refresher course or courses taken in an educational institution accredited by an accrediting body, approved by the Council on Post Secondary Accreditation, and recognized by the U.S. Department of Education.

Whenever possible, the course or courses should be taken at the institution in which the veteran is matriculated. This would help ensure that the material covered in such courses will indeed prepare the veteran to continue pursuit of his or her education and avoid potential abuses under the ill-defined term "appropriate educational institution," as stated in section 203(d)(3).

With respect to S. 820, to provide educational benefits for flight training, I cannot help but recall the abuses that occurred under the World War II GI bill where educational benefits were used to pay for what essentially was a recreational activity. S. 820 recognizes some of the problems that arose under the prior GI bills; and I would suggest, Mr. Chairman, that more detailed definitions and restrictions be considered for incorporation in that bill.

And finally, I fully support the provision of S. 2383, introduced on May 12, which would allow a student under certain limitations to withdraw from a course without an overpayment situation which results in indebtedness by the student.

And it is certainly appropriate to make chapters 30 and 32 participants eligible for tutorial assistance in accredited institutions.

I also support the provision which makes 1977 and 1978 service academy graduates and 1978 SROTC graduates eligible retroactively for the chapter 34 program if such students had already indicated an interest in veterans' education benefits, as evidenced by their participation in the chapter 32 program.

Thank you, Mr. Chairman, for the opportunity to work with you and your staff, to serve on the Commission to Assess Veterans' Education Policy, so that I may in some small measure contribute to the development and improvement of the GI bill, which has done so much for so many.

Senator MATSUNAGA. Thank you, Mr. Ostar. You made it exactly on time. [Laughter.]

[The prepared statement of Mr. Ostar appears on p. 164.]

Senator MATSUNAGA. We will be happy to hear from you now, Ms. Sandra Ritter.

STATEMENT OF SANDRA L. RITTER, TRUSTEE, OAKLAND COMMUNITY COLLEGE, BLOOMFIELD HILLS, MI, ON BEHALF OF THE AMERICAN ASSOCIATION OF COMMUNITY AND JUNIOR COLLEGES, ACCOMPANIED BY FRANK MENSEL, VICE PRESIDENT FOR FEDERAL RELATIONS

Ms. RITTER. Good morning.

Senator MATSUNAGA. Good morning.

Ms. RITTER. Mr. Chairman, we are delighted to have this opportunity, among other reasons, to thank Chairman Cranston and his committee for the pivotal role played in the enactment of the Montgomery GI bill. Primarily, it was their vigorous leadership that propelled the bill through the Senate.

My name is Sandra L. Ritter, and I am a trustee at Oakland Community College in Michigan. I sit on both of the boards of American Association of Community and Junior Colleges and the Association for Community College Trustees.

I am accompanied by Frank Mensel, our chief Federal relations liaison for both ACCT and AACJC.

Mr. Chairman, from my perspective, the Montgomery GI bill has enhanced my sense of security. Clearly, our national security is greater because the Montgomery GI bill is in place and is working. Surely, it deserves much of the credit for the success of the All-Volunteer Forces.

Like the other GI bills before it, the new GI bill is doing at least as much for the American economy and work force as it is doing for the military. In fact, that is even truer of the Montgomery GI bill than it was of its predecessors because of the college benefit it provides enlistees in the National Guard and Reserves.

Both the military and the economy reap immediate direct benefits from the skills that Reserve and Guard members are able to acquire. Mr. Chairman, the community colleges and the associations I represent are pleased with the several amendments introduced to fine tune the Montgomery GI bill.

Especially important is the provision that would allow enlistees in the Regular Forces to stretch out the payroll deductions of their \$1,200 contribution over more than 12 months. This amendment would be especially beneficial to youth in disadvantaged homes.

A \$100 monthly deduction almost certainly precludes enlistment in the Regular Forces for great numbers of such youth who help shoulder their families' economic burdens.

You are taking a wise and compassionate step also, Mr. Chairman, to propose that a surviving family receive unused payroll con-

tributions when the service member enrolled in the Montgomery GI Bill dies in the line of duty before collecting all or any of the educational benefits.

Community colleges surely support the proposed increase in tutorial assistance and its extension to the veterans and GI bill participants who were not previously eligible. We also applaud the amendments proposed that would allow a student drawing educational benefits to withdraw from not more than 6 credit hours of courses with nonpunitive grades without incurring an overpayment liability.

We would prefer this tolerance be granted for either one or two instances with a six credit total, that is, either the one six credit withdrawal or the two three credit exceptions, rather than one single withdrawal.

In closing, Mr. Chairman, we respectfully urge committee members to exert their leadership with Congress in reversing the erosion of funding for the Veterans' Education Outreach Program. As you will recall, Mr. Cranston was the author of the veterans' cost of instruction program, which was the forerunner to VEAP.

This modest incentive has proven highly successful in helping colleges maintain professional staff devoted to the needs of veterans and students from the Armed Forces. This has contributed much to the success of the All-Volunteer Military.

Thank you again, Mr. Chairman, for this hearing and for your vigilant leadership. Thank you very much.

Senator MATSUNAGA. Thank you, Ms. Ritter.

[The prepared statement of Ms. Ritter appears on p. 168.]

Senator MATSUNAGA. We will be happy now to hear from you, Ms. Rowland.

STATEMENT OF BERTIE ROWLAND, PRESIDENT, NATIONAL ASSOCIATION OF VETERANS PROGRAM ADMINISTRATORS

Ms. ROWLAND. My name is Bertie Rowland. Mr. Chairman and members of this committee, on behalf of the National Association of Veterans Program Administrators, I wish to thank you for providing this opportunity to present our views on legislation to enhance the educational benefits of our veterans and service persons.

The provisions of S. 2382 are supported by NAVPA, particularly in its move to allow a presumption of mitigating circumstances in up to six units. Presently, VA regulations allow the receipt of nonpunitive grades to be forgiven only when a student can provide mitigating circumstances. These circumstances are generally limited to problems with health or employment that are beyond the student's control.

It will, for example, not allow a withdrawal due to child care problems, which is indeed a factor far beyond a student's control. S. 2383 will provide a one-time presumption of mitigation which will help with this type of problem.

S. 2383 also contains a provision which provides for individual tutorial assistance, making uniform the GI bills. It makes sense to provide insurance for the investment that we have made in our service persons' educations.

One of the missions of the GI bill is to provide for readjustment and for restoration of lost educational opportunities. Our veterans are returning after a break in their education and are frequently competing with recent high school graduates.

We have invested in their education, and we can protect our investment by allowing individualized tutorial assistance where it is needed. This provision will also bring uniformity in all of the benefit structures.

I would like to point out that, for an individual to receive tutorial assistance, one, it must be unavailable through the institution; and two, it must be necessary and beneficial to the individual student. Those factors are certified when we certify the student for tutorial assistance.

NAVPA supports the provisions of S. 2307, particularly with regard to allowing the Secretary to set the criteria for meeting the requirement of equivalency in secondary credentials. This will allow the spirit of the law to be met by allowing quality personnel to participate in education programs who were previously barred.

For instance, the holder of an AA degree who did not have a high school diploma or GED certificate would now be able to participate in the Montgomery GI Bill.

I wish to provide this committee with a position paper on the topic of remediation. We support S. 2307's provision to allow remediation. The requirement for admission and retention in degree programs are becoming stricter.

[The position paper appears on p. 180.]

Ms. ROWLAND. While our servicemen are taking a few years from education to serve their country, they are slipping away from eligibility to enter educational pursuit. An example is that intermediate algebra will no longer be acceptable as part of the degree program after this summer in the California State university system. Yet, it is a prerequisite to many college courses.

It is vital that we allow our veterans to truly regain lost educational opportunity by allowing this type of remediation.

This bill also proposes to expand the Commission to Assess VA Education Policy to include an ex officio member of the Department of Defense. This is appropriate; however, the time lines under which the Commission is operating would prevent much interaction by that individual. The Commission's report is due in August.

Perhaps consideration should be given to placing a member on the VA Administrator's Advisory Committee.

The VA's First Annual Report to Congress states that the mission of the Montgomery GI bill is to extend the benefits of higher education to those who cannot afford it, restore lost educational opportunities, and enhance the nation's competitiveness through a more highly educated work force.

S. 1997 has the provision to allow the stretching out of the \$1,200 pay reduction, and this has been a priority request by NAVPA. Our first contact with students who participated in the Montgomery GI bill has overwhelmingly reported that the \$100 per month reduction was very difficult for them. The 30 percent who did not participate must have found it too difficult.

It is in our best interest as a people to provide this educational opportunity to as many students as possible. Stretching out the pay

reduction should open the door to a few more service men and women, especially those who need it most, those who found it difficult to face a 20 percent reduction in their pay because of financial need.

Much work has been done to assure that the Montgomery GI bill is successful, and I am pleased to see that chapter 30 information is now available on the VA's target system. We are making progress.

Work still needs to be done to make a priority of the education information between the DOD and the VA and the students and the schools. We hope that resources will continue to be applied to this area.

Confirmations continue to be a problem, and eligibility information in 106 is also a problem. The schools find it very difficult to advise students because of the diversity of people we must contact to straighten out these kinds of problems, and we would urge the VA to take a more active role in that area.

Thank you, Mr. Chairman.

Senator MATSUNAGA. Thank you very much, Ms. Rowland.

[The prepared statement of Ms. Rowland appears on p. 175.]

Senator MATSUNAGA. We will now hear from you, Mr. Morris.

STATEMENT OF GLENN A. MORRIS, PRESIDENT, NATIONAL ASSOCIATION OF VETERANS UPWARD BOUND PROJECT PERSONNEL, ACCOMPANIED BY JON H. WESTBY, PAST PRESIDENT

Mr. MORRIS. Mr. Chairman, might I have Mr. Westby start for us, please?

Senator MATSUNAGA. Mr. Westby, we would be happy to hear from you.

Mr. WESTBY. Thank you. We appreciate the opportunity to appear before you today to testify on the GI bill. Specifically, Glenn and I are here to speak in support of a provision which would allow veterans to receive benefits for refresher training to improve academic skills deficiency. This provision is included currently in S. 2307, section 203.

The Montgomery GI bill is an outstanding educational opportunity for veterans. It has one obstacle which hampers its full utilization by all veterans, however. It cannot be used for remedial educational pursuits.

Success in a postsecondary setting obviously requires adequate preparation, and nearly every type of postsecondary institution administers a battery of academic tests to all incoming students. Those who score low on these tests are required to enroll in remedial and refresher courses to raise their skill level.

Many of these courses are noncredit and cannot be included in an individual's academic program. Therefore, oftentimes they cannot receive financial aid, such as a Pell Grant for enrolling in them.

Currently, under chapter 30, veterans can also not receive benefits for such courses. Although many of these courses do not charge tuition, veterans enrolling in them still need some type of financial assistance for such things as transportation and other living expenses.

Without some type of income, it is doubtful that very many veterans would be able to attend. Although military test scores for new recruits have increased in recent years, there remain a great many service personnel who are academically deficient.

I just received some information Monday that I wasn't able to include in our written comments, but which I will make available to the committee afterward. This came from the Assistant Director for Educational Policy in the Department of Defense; and according to her, \$45 million will be spent during fiscal year 1986 to 1989 to provide functional skills training to military personnel.

A total of 369,000 service personnel will have participated in this training during these 4 years. This training includes such areas as developing technical vocabulary and job-specific training, as well as remedial reading, English, and math.

Therefore, it is not known how many of those in this training are there specifically because of low academic skills. However, if only one in five of the trainees was there for remedial education, this would still be 74,000 persons who are educationally deficient.

The majority of these individuals will be discharged from the service in the next few years and may need more academic preparation for success in post-secondary settings. Thank you.

Senator MATSUNAGA. Thank you very much. Do you wish to add something, Mr. Morris?

Mr. MORRIS. Yes, sir. I do, please.

Senator MATSUNAGA. Yes, please proceed.

Mr. MORRIS. High test scores are not necessarily an indicator of success at the postsecondary level. Many individuals may be able to test well but still have poor study skills, inadequate writing skills, or do not possess the critical and analytical skills necessary to complete a college program.

The Veterans' Administration projects that between 1988 and 1993, 782,000 veterans eligible for chapter 30 will be discharged from the service. The House Veterans' Affairs Committee, while developing their amendments, estimated that 10 percent of all trainees would make use of refresher courses.

Over the next 6 years, this could total nearly 80,000 individuals, clearly a significant number.

Also, military test scores do not show the wide discrepancy in terms of quality and comprehensiveness of high school curricula. Obviously, there are vast differences in quality from State to State and among school districts within individual States. As a result, before they can enroll in a postsecondary education program, many veterans may need to take high school level courses which were not even offered or available through their secondary school system.

As a cost-saving measure, the National Association of Veterans Upward Bound Program Personnel supports charging refresher course training against the veteran's entitlement. This would give the veteran the option of utilizing his or her benefits to prepare for postsecondary education or to save them for their fourth year of college.

We expect that the majority of veterans in need of refresher or remedial educational training will use the benefits for such train-

ing and utilize other financial aid programs for their fourth year of education.

The purpose of the GI bill is to help former military personnel adjust to civilian life. For those with inadequate academic skills, nothing could help their adjustment more than providing the opportunity to improve their basic skills and enroll in a postsecondary education program.

This simple educational opportunity for the transition from the military to postsecondary education has proven beneficial and successful for post-Korean veterans, Vietnam veterans, post-Vietnam veterans, and VEAP Program vets. The results of this change for the chapter 30 GI bill participants will reap benefits to them in their transition into postsecondary education.

Your colleagues in the House Veterans' Affairs Committee recognized this and have included benefits for refresher or remedial training in their amendments to the GI bill. We urge you to do the same. Thank you, Mr. Chairman and committee members.

Senator MATSUNAGA. Thank you very much, Mr. Morris.

[The prepared statement of Mr. Morris and Mr. Westby appears on p. 182.]

Senator MATSUNAGA. I want to thank each and every one of you for appearing before this committee. Your organizations worked hard last year to make the new GI bill permanent.

On behalf of the chairman and members of this committee, I wish to thank you and to congratulate you for your efforts.

As I did in the case of previous panels, I would like to ask each of you to submit a brief statement on the Retired Officers Association proposal that service members who elected not to participate in the Montgomery GI bill be given a one-time second chance to enroll in chapter 30, if they make a commitment of additional years of service or a reduction in pay.

And also, please give us a brief statement of your views on the NCOA's proposal to give current service members who are eligible for chapter 32 an opportunity to enroll in chapter 30 on the basis of a commitment of additional years of service or a reduction in pay.

Now, Mr. Westby, you referred to some kind of a survey or research you would submit for the record. Who did the research?

Mr. WESTBY. It came from Dr. Lenore Saltman, and she is the Assistant Director for Educational Policy in the Department of Defense.

Senator MATSUNAGA. I see. And you will submit the findings for the record?

Mr. WESTBY. Yes, sir.

[The information appears on p. 187.]

Senator MATSUNAGA. Thank you. I certainly appreciate your attendance here. Members of the committee may submit questions to you in writing, and your responses to those questions need to be submitted for the record in writing by June 1. Thank you again, each and every one of you, for taking time out to be with us today.

[Whereupon, at 11:45 a.m., the hearing was adjourned.]

APPENDIX

II

100TH CONGRESS
1ST SESSION

S. 820

To amend titles 38 and 10, United States Code, to provide veteran's educational assistance benefits for flight training.

IN THE SENATE OF THE UNITED STATES

MARCH 24, 1987

Mr. DASCHLE introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend titles 38 and 10, United States Code, to provide veteran's educational assistance benefits for flight training.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Veterans' Education
5 Amendments of 1987".

6 **SEC. 2. FLIGHT TRAINING UNDER THE NEW GI BILL.**

7 (a) **AUTHORITY TO APPROVE FLIGHT TRAINING.—**

8 Section 1434 of title 38, United States Code, is amended—

9 (1) in subsection (a), by inserting after "1673" the
10 following: "(with the exception of subsection (b))";

1 (2) by redesignating subsection (d) as subsection
2 (e); and

3 (3) by inserting after subsection (c) the following
4 new subsection:

5 “(d) The Administrator may approve the pursuit of
6 flight training by an individual entitled to basic educational
7 assistance under this chapter if—

8 “(1) such training is—

9 “(A) offered by an institution of higher learn-
10 ing for credit toward a standard college or univer-
11 sity degree;

12 “(B) generally accepted as necessary for the
13 attainment of a recognized vocational objective in
14 the field of aviation; or

15 “(C) generally recognized as ancillary to the
16 pursuit of a vocational endeavor other than avia-
17 tion;

18 “(2) the individual possesses a valid private pilot’s
19 license and meets the medical requirements necessary
20 for a commercial pilot’s license; and

21 “(3) the flight school courses meet the Federal
22 Aviation Administration standards and are approved by
23 the State approving agency.”.

1 (b) AMOUNT OF ASSISTANCE.—Section 1432 of such
2 title is amended by inserting the following new subsection
3 after the subsection added by section 101(b) of this Act:

4 “(d)(1) Each individual who is pursuing a program of
5 education consisting exclusively of flight training approved as
6 meeting the requirements of section 1434(d) of this title shall
7 be paid an educational assistance allowance under this chap-
8 ter to be computed at the rate of 75 per centum of the estab-
9 lished charges for tuition and fees which similarly circum-
10 stanced nonveterans enrolled in the same flight course are
11 required to pay.

12 “(2) No educational assistance allowance for any month
13 shall be paid to an individual under this chapter who is pursu-
14 ing a program of education consisting exclusively of flight
15 training until the Administrator shall have received a certifi-
16 cate from the individual and the institution as to actual flight
17 training received by the veteran during that month and the
18 cost of that training.

19 “(3) The period of entitlement of each individual who is
20 pursuing a program of education described in paragraph (1) of
21 this subsection shall be charged with one month for each pay-
22 ment of an educational assistance allowance to the individual
23 for such program which is equal to the total amount of
24 monthly educational assistance which the individual is eligi-

1 ble to receive under subsection (a)(1), (b)(1), or (c) of section
2 1415 of this title, as the case may be.”.

3 SEC. 3. FLIGHT TRAINING UNDER THE SELECTED RESERVE
4 EDUCATIONAL ASSISTANCE PROGRAM.

5 (a) AUTHORITY TO APPROVE FLIGHT TRAINING.—

6 Section 2136 of title 10, United States Code, is amended—

7 (1) in subsection (b), by inserting after “1673” the
8 following: “(with the exception of subsection (b))”; and

9 (2) by adding the following new subsection:

10 “(d) The Administrator of Veterans’ Affairs may ap-
11 prove the pursuit of flight training by an individual entitled to
12 educational assistance under this chapter if—

13 “(1) such training is—

14 “(A) offered by an institution of higher learn-
15 ing for credit toward a standard college or univer-
16 sity degree;

17 “(B) generally accepted as necessary for the
18 attainment of a recognized vocational objective in
19 the field of aviation; or

20 “(C) generally recognized as ancillary to the
21 pursuit of a vocational endeavor other than
22 aviation;

23 “(2) the individual possesses a valid private pilot’s
24 license and meets the medical requirements necessary
25 for a commercial pilot’s license; and

1 “(3) the flight school courses meet the Federal
2 Aviation Administration standards and are approved by
3 the State approving agency.”.

4 (b) AMOUNT OF ASSISTANCE.—Section 2131 of such
5 title is amended—

6 (1) in subsection (b), by striking out “Each” and
7 inserting in lieu thereof “Except as provided in subsec-
8 tion (d), each”; and

9 (2) by adding at the end the following new
10 subsection:

11 “(1) Each individual who is pursuing a program of
12 education consisting exclusively of flight training approved as
13 meeting the requirements of section 2136(d) of this title shall
14 be paid an educational assistance allowance under this chap-
15 ter to be computed at the rate of 75 per centum of the estab-
16 lished charges for tuition and fees which similarly circum-
17 stanced individuals enrolled in the same flight course are re-
18 quired to pay.

19 “(2) No educational assistance allowance for any month
20 shall be paid to an individual under this chapter who is pursu-
21 ing a program of education consisting exclusively of flight
22 training until the Administrator shall have received a certifi-
23 cate from the individual and the institution as to actual flight
24 training received by the individual during that month and the
25 cost of that training.

1 “(3) The period of entitlement of each individual who is
2 pursuing a program of education described in paragraph (1)
3 shall be charged with one month for each \$140 which is paid
4 to that individual as an educational assistance allowance for
5 such program.”.

100TH CONGRESS
1ST SESSION

S. 1997

To amend title 38, United States Code, to authorize the stretching out of the \$1,200 basic-pay reduction of Montgomery GI bill participants, and to provide for a payment to the survivors of certain participants who die on active duty.

IN THE SENATE OF THE UNITED STATES

DECEMBER 22 (legislative day, DECEMBER 15), 1987

Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DeCONCINI, Mr. MITCHELL, Mr. ROCKEFELLER, Mr. GRAHAM, Mr. KENNEDY, and Mr. COHEN) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to authorize the stretching out of the \$1,200 basic-pay reduction of Montgomery GI bill participants, and to provide for a payment to the survivors of certain participants who die on active duty.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

■

1 SECTION 1. AUTHORITY FOR NEW GI BILL PARTICIPANTS'
2 BASIC-PAY REDUCTION TO BE MADE OVER EX-
3 TENDED PERIOD.

4 (a) ALL-VOLUNTEER FORCE PROGRAM PARTICI-
5 PANTS.—Section 1411(b) of title 38, United States Code, is
6 amended—

7 (1) by striking out “The” and inserting in lieu
8 thereof “(1) Except as provided in paragraph (2) of this
9 subsection, the”;

10 (2) by redesignating the second sentence as para-
11 graph (3); and

12 (3) by inserting after paragraph (1) (as redesignat-
13 ed by clause (A)) the following new paragraph:

14 “(2) The Secretary of Defense, after consultation with the
15 Secretaries of the military departments, the Secretary of
16 Transportation, and the Administrator, may adjust, effective
17 with respect to all individuals described in subsection
18 (a)(1)(A) of this subsection who first enter on active duty as
19 members of the Armed Forces after a date specified by the
20 Secretary of Defense, the amount by which and the period
21 during which each such individual’s basic pay is reduced so
22 as to require a reduction of less than \$100 but not less than
23 \$60 for each of the first twenty months (or appropriate lesser
24 number of months resulting in a total reduction of \$1,200)
25 that the individual is entitled to such pay.”.

1 (b) SELECTED RESERVE PROGRAM PARTICIPANTS.—
2 Section 1412(c) of title 38, United States Code, is
3 amended—

4 (1) by striking out “The” and inserting in lieu
5 thereof “(1) Except as provided in paragraph (2) of this
6 subsection, the”;

7 (2) by redesignating the second sentence as para-
8 graph (3); and

9 (3) by inserting after paragraph (1) (as redesignat-
10 ed by clause (A)) the following new paragraph:

11 “(2) The Secretary of Defense, after consultation with
12 the Secretaries of the military departments, the Secretary of
13 Transportation and the Administrator, may adjust, effective
14 with respect to all individuals described in subsection
15 (a)(1)(A) of this subsection who first enter on active duty as
16 members of the Armed Forces after a date specified by the
17 Secretary of Defense, the amount by which and the period
18 during which each individual’s basic pay is reduced so as to
19 require a reduction of less than \$100 but not less than \$60
20 for each of the first twenty months (or appropriate lesser
21 number of months resulting in a total reduction of \$1,200)
22 that the individual is entitled to such pay.”.

1 SEC. 2. PAYMENTS TO SURVIVORS OF ACTIVE-DUTY PARTICI-
2 PANTS IN NEW GI BILL.

3 (a) IN GENERAL.—Subchapter IV of chapter 30 of title
4 38, United States Code, is amended by adding at the end the
5 following new section:

6 “§ 1437. Payment to survivors

7 “In the event of the service-connected death of an indi-
8 vidual serving on active duty whose basic pay had been re-
9 duced under section 1411(b) or 1412(c) of this title and who
10 had not been paid basic educational assistance under this
11 chapter in a total amount as great as the total amount by
12 which the individual's basic pay had been so reduced, the
13 Administrator shall pay to the living person or persons first
14 listed below the amount by which the total amount by which
15 the individual's basic pay had been so reduced exceeds the
16 total amount of such educational assistance paid:

17 “(1) The surviving spouse of the individual.

18 “(2) The surviving child or children of the individ-
19 ual, in equal shares.

20 “(3) The surviving parent or parents of the indi-
21 vidual, in equal shares.

22 “(4) The beneficiary or beneficiaries designated by
23 such individual under such individual's Servicemen's
24 Group Life Insurance policy.

25 If there is no such person living, no payment shall be made
26 under this section.”.

1 (b) CONFORMING AMENDMENT.—Section 1435(b)(1) of
2 such title is amended by inserting “and payments under sec-
3 tion 1437” after “chapter”.

4 (c) CLERICAL AMENDMENT.—The table of sections at
5 the beginning of such chapter is amended by adding at the
6 end the following new item:

“1437. Payment to survivors.”.

7 (d) EFFECTIVE DATE.—The amendments made by this
8 section shall take effect as of July 1, 1985.

1 repeal is expressed in terms of an amendment to or repeal of
 2 a section or other provision, the reference shall be considered
 3 to be made to a section or other provision of title 38, United
 4 States Code.

5 (c) TABLE OF CONTENTS.—The table of contents of
 6 this Act is as follows:

TABLE OF CONTENTS

Sec. 1. Short title; references to title 38, United States Code; table of contents.

TITLE I—EDUCATIONAL ASSISTANCE AND VOCATIONAL REHABILITATION PROGRAM IMPROVEMENTS

Sec. 101. Cooperative training for certain individuals under the Montgomery GI Bill and the Post-Vietnam Era Veterans' Educational Assistance Program.

Sec. 102. Accepting alternate secondary school credentials for Montgomery GI Bill eligibility.

Sec. 103. Repayment of certain individuals' basic pay reduction under the Montgomery GI Bill.

Sec. 104. Election of certain educational assistance allowance entitlement under the Montgomery GI Bill.

Sec. 105. Extension of training at no or nominal pay under the vocational rehabilitation program.

Sec. 106. Limitations on educational assistance for incarcerated veterans under the Post-Vietnam Era Veterans' Educational Assistance Program.

TITLE II—ADMINISTRATIVE PROVISIONS

Sec. 201. Clock-hour measurement of certain unit courses or subjects creditable toward a standard college degree.

Sec. 202. Veterans' Advisory Committee on Education extended.

Sec. 203. Enrollment in refresher, remedial, and deficiency courses.

Sec. 204. Technical and Clerical Amendments.

Sec. 205. Expansion of ex officio members on the Commission to Assess Veterans' Education Policy.

7 TITLE I—EDUCATIONAL ASSISTANCE AND VO- 8 CATIONAL REHABILITATION PROGRAM IM- 9 PROVEMENTS

10 SEC. 101. Cooperative Training For Certain Individuals
 11 Under the Montgomery GI Bill and the Post-Vietnam Era
 12 Veterans' Educational Assistance Program.

100TH CONGRESS
2D SESSION

S. 2307

To amend title 10 and title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 21 (legislative day, APRIL 11), 1988

Mr. CRANSTON (by request) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 10 and title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED
4 STATES CODE; TABLE OF CONTENTS.

5 (a) SHORT TITLE.—This Act may be cited as the “Vet-
6 erans’ Educational Assistance Improvements Act of 1988”.

7 (b) REFERENCES TO TITLE 38.—Except as otherwise
8 specifically provided, whenever in the Act an amendment or

1 (a) MONTGOMERY GI BILL.—(1) Section 1402(3) is
2 amended by—

3 (A) striking out “, and” at the end of clause (A)
4 and inserting in lieu thereof “;”;

5 (B) striking out the period at the end of clause (B)
6 and inserting in lieu thereof “; and”; and

7 (C) adding at the end the following new clause:

8 “(C) Includes cooperative training as defined in section
9 1682(a)(2) of this title in the case of an individual entitled to
10 educational assistance under this chapter who is not serving
11 on active duty while pursuing that training.”.

12 (2) Section 1432 is amended by adding at the end there-
13 of the following new subsection:

14 “(d)(1) The amount of the monthly basic educational as-
15 sistance allowance payable to an individual pursuing a coop-
16 erative program under this chapter shall be 80 percent of
17 such monthly allowance otherwise payable to such individual
18 under section 1415 of this title, as determined by the Admin-
19 istrator.

20 “(2) For each month that an individual is paid a monthly
21 educational assistance allowance under paragraph (1) of this
22 subsection, the individual’s entitlement under this chapter
23 shall be charged at the rate of 80 percent of a month.”.

1 (b) POST-VIETNAM ERA VETERANS' EDUCATIONAL
2 ASSISTANCE PROGRAM.—(1) Section 1602(2) is amended
3 by—

4 (A) striking out “, and” at the end of clause (A)
5 and inserting in lieu thereof “;”;

6 (B) striking out the period at the end of clause (B)
7 and inserting in lieu thereof “; and”; and

8 (C) adding at the end the following new clause:

9 “(C) Includes cooperative training as defined in section
10 1682(a)(2) of this title in the case of an individual entitled to
11 educational assistance under this chapter who is not serving
12 on active duty while pursuing that training.”.

13 (2) Section 1631 is amended by adding at the end there-
14 of the following new subsection:

15 “(d)(1) The amount of the monthly benefit payment to
16 an individual pursuing a cooperative program under this
17 chapter shall be 80 percent of the monthly benefit otherwise
18 payable to such individual as determined by the Administra-
19 tor, based on the formula provided in subsection (a)(2) of this
20 section.

21 “(2) For each month that an individual is paid a monthly
22 benefit payment under paragraph (1) of this subsection, the
23 individual's entitlement under this chapter shall be charged at
24 the rate of 80 percent a month.”.

5

1 SEC. 102. ACCEPTING ALTERNATE SECONDARY SCHOOL
2 CREDENTIALS FOR MONTGOMERY GI BILL
3 ELIGIBILITY.

4 (1) Section 1411(a)(2) is amended by striking out "(or
5 an equivalency certificate)" and inserting in lieu thereof "(or
6 the equivalent as determined by the Secretary concerned,
7 pursuant to regulations prescribed by the Secretary)".

8 (2) Section 1412(a)(2) is amended by striking out "(or
9 an equivalency certificate)" and inserting in lieu thereof "(or
10 the equivalent as determined by the Secretary concerned,
11 pursuant to regulations prescribed by the Secretary)".

12 (3) Section 2132(a)(2) of title 10, United States Code, is
13 amended by striking out "(or an equivalency certificate)" and
14 inserting in lieu thereof "(or the equivalent as determined by
15 the Secretary concerned, pursuant to regulations prescribed
16 by the Secretary)".

17 SEC. 103. REPAYMENT OF CERTAIN INDIVIDUALS' BASIC PAY
18 REDUCTION UNDER THE MONTGOMERY GI
19 BILL.

20 (a) IN GENERAL.—Chapter 30 is amended by adding at
21 the end of subchapter IV the following new section:

22 "§ 1437. Restoration of basic pay for certain individuals

23 "(a) The Secretary concerned, pursuant to regulations
24 to be prescribed by the Secretary, shall make a lump-sum
25 payment of basic pay in an amount described in subsection (b)
26 to an individual—

1 “(1) who first becomes a member or first enters
2 on active duty as a member of the Armed Forces after
3 June 30, 1985, and does not make an election under
4 section 1411(c)(1) or section 1412(d)(1) of this title;

5 “(2) whose basic pay has been reduced under sec-
6 tion 1411(b) or 1412(c) of this title;

7 “(3) who has been discharged or released from
8 service on active duty or in the Selected Reserve for a
9 medical condition which preexisted such service and
10 which the Administrator determines is not service-
11 connected; and

12 “(4) who, but for such discharge or release before
13 completion of the service described in section
14 1411(a)(1)(A) or 1412(a)(1)(A) of this title, as appropri-
15 ate, would be eligible for basic educational assistance
16 under this chapter.

17 “(b) The amount of basic pay payable to an individual
18 under subsection (a) of this section shall be equal to the total
19 amount reduced from the individual's basic pay under section
20 1411(b) or 1412(c) of this title less the amount, if any, of
21 educational assistance paid to the individual under this
22 chapter.”.

23 (b) CONFORMING AMENDMENT.—Section 1435 is
24 amended—

1 (1) by redesignating subsection (d) as subsection
2 (e); and

3 (2) by inserting after subsection (c) the following
4 new subsection (d):

5 “(d) Payments of basic pay authorized by section 1437
6 of this title shall be made from appropriations made to the
7 Department of Defense or Department of Transportation, as
8 appropriate.”.

9 (c) CLERICAL AMENDMENT.—The table of sections at
10 the beginning of chapter 30 is amended by adding at the end
11 the following new item:

“1437. Restoration of basic pay for certain individuals.”.

12 **SEC. 104. ELECTION OF CERTAIN EDUCATIONAL ASSISTANCE**

13 **ALLOWANCE ENTITLEMENT UNDER THE MONT-**

14 **GOMERY GI BILL.**

15 Section 1412 is amended—

16 (1) in subsection (b)(1) by striking out all after
17 “Selected Reserve” and inserting in lieu thereof “(A)
18 for a service-connected disability, (B) for hardship, or
19 (C) for the convenience of the Government in the case
20 of an individual discharged or released after three and
21 one half years of such service.”.

22 (2) by adding at the end the following new sub-
23 section:

24 “(e)(1) Entitlement to basic educational assistance under
25 this section shall be waived in the case of an individual de-

1 scribed in clause (1)(A) of subsection (b) of this section who
2 elects entitlement to basic educational assistance under sec-
3 tion 1411 of this title, based on an initial obligated period of
4 active duty of two years, instead of entitlement to assistance
5 under this section.

6 “(2) An individual who makes the election described in
7 paragraph (1) of this subsection shall, for all purposes of this
8 chapter, be considered entitled to educational assistance
9 solely under section 1411 of this title. Such an election is
10 irrevocable.”.

11 SEC. 105. EXTENSION OF TRAINING AT NO OR NOMINAL PAY
12 UNDER THE VOCATIONAL REHABILITATION
13 PROGRAM.

14 Section 1515 is amended—

15 (1) in subsection (a)(1) by striking out “Federal
16 agency (including the Veterans’ Administration)” and
17 inserting in lieu thereof “(A) Federal agency (including
18 the Veterans’ Administration) or (B) any State or local
19 government agency which is supported in whole or in
20 part with Federal funds”.

21 (2) in subsection (b) by striking out paragraph (3)
22 and inserting in lieu thereof:

23 “(3) Use of facilities under clause (1)(B) of subsection (a)
24 or use of facilities and services under clause (4) of subsection

1 (a) of this section, shall be procured through contract, agree-
2 ment, or other cooperative arrangement.

3 “(4) The Administrator shall prescribe regulations
4 which shall provide monitoring capability or other safeguards
5 designed to prevent possible abuse of nonpay resources by
6 State or local government agencies and otherwise ensure that
7 the training or work experience provided is in the best inter-
8 est of the veteran and the Federal Government.”.

9 SEC. 106. LIMITATIONS ON EDUCATIONAL ASSISTANCE FOR
10 INCARCERATED VETERANS UNDER THE POST-
11 VIETNAM ERA VETERANS' EDUCATIONAL AS-
12 SISTANCE PROGRAM.

13 Section 1631 is amended by adding at the end the fol-
14 lowing new subsection:

15 “(e)(1) Subject to the provisions of paragraph (2) of this
16 subsection, the amount of the educational assistance benefits
17 paid to an eligible veteran who is pursuing a program of edu-
18 cation under this chapter while incarcerated in a Federal,
19 State, or local penal institution for conviction of a felony may
20 not exceed such amount as the Administrator determines, in
21 accordance with regulations which the Administrator shall
22 prescribe, is necessary to cover (A) the cost of established
23 charges for tuition and fees required of similarly circum-
24 stanced nonveterans enrolled in the same program and the
25 cost of necessary supplies, books, and equipment, or (B) the

1 applicable monthly benefit payment otherwise prescribed in
2 this section or section 1633 of this title, whichever is the
3 lesser. The amount of the educational assistance benefits pay-
4 able to a veteran while so incarcerated shall be reduced to
5 the extent that the tuition and fees of the veteran for any
6 course are paid under any Federal program (other than a
7 program administered by the Administrator) or under any
8 State or local program.

9 (2) Paragraph (1) of this subsection shall not apply in
10 the case of any veteran who is pursuing a program of educa-
11 tion under this chapter while residing in a halfway house or
12 participating in a work-release program in connection with
13 such veteran's conviction of a felony.

14 TITLE II—ADMINISTRATIVE PROVISION

15 SEC. 201. CLOCK-HOUR MEASUREMENT OF CERTAIN UNIT 16 COURSES OR SUBJECTS CREDITABLE TOWARD 17 A STANDARD COLLEGE DEGREE.

18 Section 1788(e) is amended to read as follows:

19 “(e)(1) For the purpose of measuring clock hours of at-
20 tendance or net of instruction under clause (1) or (2), respec-
21 tively, of subsection (a) of this section for a course—

22 “(A) which is offered by an institution of higher
23 learning, and

24 “(B) for which the institution requires one or
25 more unit courses or subjects for which credit is grant-

1 ed toward a standard college degree pursued in resi-
2 dence on a standard quarter- or semester-hour basis,
3 the number of credit hours (semester or quarter hours) repre-
4 sented by such unit courses or subjects shall, during the se-
5 mester, quarter, or other applicable portion of the academic
6 year when pursued, be converted to equivalent clock hours,
7 determined as prescribed in paragraph (2) of this subsection.
8 Such equivalent clock hours then shall be combined with
9 actual weekly clock hours of training concurrently pursued, if
10 any, to determine the total clock hours of enrollment.

11 “(2) For the purpose of determining the clock-hour
12 equivalency described in paragraph (1) of this subsection, the
13 total number of credit hours being pursued will be multiplied
14 by the factor resulting from dividing the number of clock
15 hours which constitute full time under clause (1) or (2) of
16 subsection (a) of this section, as appropriate, by the number
17 of semester hours (or the equivalent thereof) which, under
18 clause (4) of such subsection, constitutes a full-time institu-
19 tional undergraduate course at such institution.”.

20 **SEC. 202. VETERANS' ADVISORY COMMITTEE ON EDUCATION**

21 **EXTENDED.**

22 Section 1792(c) is amended by striking our “December
23 31, 1989” and inserting in lieu thereof “December 31,
24 1993”.

1 SEC. 203. ENROLLMENT IN REFRESHER, REMEDIAL AND DEFICI-
2 CIENCY COURSES.

3 (a) MONTGOMERY GI BILL.—(1) Section 1434(a) is
4 amended by—

5 (A) inserting “(1)” before “Except”;

6 (B) designating the second sentence as paragraph
7 (2) by inserting “(2)” at the beginning thereof;

8 (C) striking out “those provisions” in the redesign-
9 dated second paragraph and inserting in lieu thereof
10 “the provisions of the sections enumerated in paragraph
11 (1) of this subsection”; and

12 (D) adding at the end the following new para-
13 graph:

14 “(3) The Administrator may, without regard to the ap-
15 plication to this chapter of so much of the provisions of sec-
16 tion 1671 of this title as prohibit the enrollment of an eligible
17 veteran in a program of education in which the veteran is
18 ‘already qualified’, and pursuant to such regulations as the
19 Administrator shall prescribe, approve the enrollment of such
20 individual in a deficiency, remedial, or refresher course or
21 courses offered by an appropriate educational institution and
22 required for, or preparatory to, the pursuit of an approved
23 program of education.”.

24 (2) Section 2136(b) of title 10, United States Code, is
25 amended by striking out “and 1683” and inserting in lieu
26 thereof “1683”, and 1691(a)(2)”.

1 (b) POST-VIETNAM ERA VETERANS' EDUCATIONAL
2 ASSISTANCE PROGRAM.—Section 1641 is amended—

3 (1) in subsection (a) by—

4 (A) inserting “(1)” after “(a)”; and

5 (B) by adding at the end thereof the follow-
6 ing new paragraph:

7 “(2) The Administrator may, without regard to the ap-
8 plication to this chapter of so much of the provisions of sec-
9 tion 1671 of this title as prohibit the enrollment of an eligible
10 veteran in a program of education in which the veteran is
11 ‘already qualified’, and pursuant to such regulations as the
12 Administrator shall prescribe, approve the enrollment of such
13 individual in a deficiency, remedial, or refresher course or
14 courses offered by an appropriate educational institution and
15 required for, or preparatory to, the pursuit of an approved
16 program of education.”; and

17 (2) in subsection (b) by striking out “1691(a)(1)”
18 and inserting in lieu thereof “1691(a)”.

19 (c) SURVIVORS' AND DEPENDENTS' EDUCATIONAL AS-
20 SISTANCE PROGRAM.—Section 1733(a) is amended to read
21 as follows: “The Administrator may approve the enrollment
22 of any eligible person under this chapter in any appropriate
23 course or courses as may be approved for an eligible veteran
24 under section 1691(a) (if pursued in a State) of this title.”.

1 SEC. 204. TECHNICAL AND CLERICAL AMENDMENTS.

2 Title 38 is amended as follows:

3 (1) Section 1413 is amended—

4 (A) in subsection (a)(2) by striking out “of
5 the beginning” and all that follows through “sec-
6 tion 1411(b) of this title” and inserting in lieu
7 thereof “the individual first enters on active duty
8 as a member of the Armed Forces”.

9 (B) in subsection (b) by striking out “of the
10 beginning” and all that follows through “section
11 1412(c) of this title” and inserting in lieu thereof
12 “the individual first enters on active duty as a
13 member of the Armed Forces”.

14 (2) Section 1432(c) is amended by adding at the
15 end the following new paragraph:

16 “(4) For any month in which an individual fails to com-
17 plete 120 hours of training, the entitlement otherwise charge-
18 able under paragraph (3) of this section shall be reduced in
19 the same proportion as the monthly educational assistance
20 allowance payable is reduced under paragraph (2) of this
21 section.”.

22 (3) Section 1434 is amended—

23 (A) in subsection (a)(1) by inserting
24 “1780(f),” after “1780(c),”;

25 (B) by redesignating (c) and (d) as subsec-
26 tions (d) and (e), respectively; and

1 (C) by inserting after subsection (b) the fol-
2 lowing new subsection (c):

3 “(c) Payment of educational assistance allowance in the
4 case of an eligible individual pursuing a program of education
5 under this chapter on less than a half-time basis shall be
6 made in a lump-sum amount for the entire quarter, semester,
7 or term (computed at the rate determined under section
8 1432(b) of this title) not later than the last day of the month
9 immediately following the month in which certification is re-
10 ceived from the educational institution that such veteran or
11 individual has enrolled in and is pursuing a program at such
12 institution.”.

13 (4) Section 1633 is amended by adding at the end
14 the following new subsection:

15 “(d) For any month in which an individual fails to com-
16 plete 120 hours of training, the entitlement otherwise charge-
17 able under subsection (c) of this section shall be reduced in
18 the same proportion as the monthly educational assistance
19 allowance payable is reduced under subsection (b) of this
20 section.”.

21 (5) Section 1790 is amended—

22 (A) in subsection (a)(2) by striking out “and
23 prepayment”; and

24 (B) in subsection (b)(3)(A) by inserting “30,”
25 before “32”.

1 SEC. 205. EXPANSION OF EX OFFICIO MEMBERS ON THE COM-
2 MISSION TO ASSESS VETERANS' EDUCATION
3 POLICY.

4 Section 320(a)(3) of the Veterans' Benefits Improve-
5 ment and Health-Care Authorization Act of 1986 (Public
6 Law 99-576; 100 Stat. 3248) is amended by inserting "the
7 Assistant Secretary of Defense for Force Management and
8 Personnel," after "paragraph (2)(A),".

100TH CONGRESS
2D SESSION

S. 2383

To amend title 38, United States Code, to extend eligibility for education benefits under the Vietnam-era GI bill to certain service academy and Senior Reserve Officer Training Corps graduates, to permit students using Veterans' Administration educational assistance one instance of course withdrawal without a requirement to repay benefits, and to provide tutorial assistance for Post-Vietnam Era Educational Assistance Program and Montgomery GI bill participants, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 12 (legislative day, MAY 9), 1988

Mr. CRANSTON (for himself, Mr. MATSUNAGA, and Mr. GRAHAM) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to extend eligibility for education benefits under the Vietnam-era GI bill to certain service academy and Senior Reserve Officer Training Corps graduates, to permit students using Veterans' Administration educational assistance one instance of course withdrawal without a requirement to repay benefits, and to provide tutorial assistance for Post-Vietnam Era Educational Assistance Program and Montgomery GI bill participants, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the "Veterans' Education
3 Benefits Amendments of 1988".

4 SEC. 2. VIETNAM-ERA BILL ELIGIBILITY.

5 (a) IN GENERAL.—Section 1652(a) of title 38, United
6 States Code, is amended—

7 (1) in paragraph (1)—

8 (A) by striking out the period at the end of
9 clause (C) and inserting in lieu thereof "; or"; and

10 (B) by adding at the end of the following
11 new clause:

12 "(D)(i) before January 1, 1977, commenced the
13 third academic year as a cadet or midshipman at one of
14 the service academies or the third academic year as a
15 member of the Senior Reserve Officer Training Corps
16 in a program of educational assistance under section
17 2104 or 2107 of title 10 if the individual (I) served on
18 active duty for a period of more than 180 days pursu-
19 ant to an appointment as a commissioned officer re-
20 ceived upon graduation from one of the service acade-
21 mies or upon satisfactory completion of advanced train-
22 ing (as defined in section 2101 of title 10) as a member
23 of the Senior Reserve Officers' Training Corps, respec-
24 tively, (II) was discharged or released from such period
25 of active duty under conditions other than dishonorable,

1 and (III) enrolled in the educational assistance pro-
2 gram under chapter 32 of this title, and

3 “(ii) before January 1, 1990, submits to the Ad-
4 ministrator, in such form and manner as the Adminis-
5 trator may prescribe, an irrevocable election to be eli-
6 gible after the date of such election for assistance
7 under this chapter and, if enrolled under the chapter
8 32 program of educational assistance under this title at
9 the time of such election, to be disenrolled from such
10 program.”; and

11 (2) by adding at the end the following new
12 paragraph:

13 “(4) For the purposes of this subsection, the term ‘serv-
14 ice academy’ means the United States Military Academy, the
15 United States Naval Academy, the United States Air Force
16 Academy, or the United States Coast Guard Academy.”.

17 (b) CONFORMING AMENDMENT.—Section 1652(a)(2) of
18 such title is amended by striking out “or (B)” and inserting in
19 lieu thereof “, (B), or (D)”.

20 (c) DISENROLLMENT FROM CHAPTER 32 PROGRAM
21 AND REFUNDS OF CONTRIBUTIONS.—Upon receipt of an
22 election under clause (D)(iv) of section 1652(a)(1) of title 38,
23 United States Code (as added by subsection (a)(1)), the Ad-
24 ministrator shall—

1 (1)(A) not later than sixty days after receiving
2 such an election, refund to the individual concerned the
3 amount of the individual's unused contributions to the
4 Post-Vietnam Era Veterans Education Account (here-
5 inafter in this paragraph referred to as the "VEAP
6 Account"), and

7 (B) if the individual has received educational as-
8 sistance under chapter 32 of such title for the pursuit
9 of a program of education, pay to the individual (out of
10 funds available for the payment of educational assist-
11 ance under chapter 34 of such title) an amount equal
12 to the amount by which the amount of the educational
13 assistance that the individual would have received
14 under chapter 34 of such title for the pursuit of such
15 program exceeds the amount of the educational assist-
16 ance that the individual received under such chapter
17 32 for the pursuit of such program; and

18 (2) refund to the Secretary of Defense the amount
19 contributed by the Secretary to the VEAP Account on
20 behalf of such individual remaining in the account.

21 (d) EFFECTIVE DATE.—The amendments made by sub-
22 sections (a) and (b) shall take effect as of January 1, 1977.

1 SEC. 3. ONE-TIME COURSE WITHDRAWAL WITHOUT REPAY-
2 MENT OF BENEFITS.

3 (a) IN GENERAL.—Section 1780(a)(4) of title 38,
4 United States Code, is amended by inserting after “circum-
5 stances” the following: “, except that, in the first instance of
6 withdrawal by an eligible veteran or person from a course or
7 courses with respect to which such veteran or person has
8 been paid assistance under this title, mitigating circumstances
9 shall be considered to exist with respect to courses totalling
10 not more than six semester hours or the equivalent thereof.”.

11 (b) EFFECTIVE DATE.—The amendment made by sub-
12 section (a) shall apply so as to require that mitigating circum-
13 stances be considered to exist only with respect to withdraw-
14 als from a course or courses being pursued with assistance
15 under such title that occur after the date of the enactment of
16 this Act.

17 SEC. 4. TUTORIAL ASSISTANCE.

18 (a)(1) ASSISTANCE UNDER THE MONTGOMERY GI
19 BILL ACTIVE DUTY.—Subchapter II of chapter 30 of title
20 38, United States Code, is amended by adding at the end the
21 following new section:

22 “§ 1417. Tutorial assistance

23 “An individual entitled to an educational assistance al-
24 lowance under this chapter shall, without charge to the indi-
25 vidual’s entitlement to such allowance, also be entitled to the

1 benefits provided an eligible veteran under section 1692 of
2 this title.”.

3 (2) The table of sections at the beginning of such chap-
4 ter is amended by inserting after the item relating to section
5 1416 the following new item:

“1417. Tutorial assistance.”.

6 (b) ASSISTANCE UNDER THE MONTGOMERY GI BILL
7 SELECTED RESERVE.—Section 2131(c) of title 10, United
8 States Code, is amended—

9 (1) in paragraph (1), by striking out “Education-
10 al” and inserting in lieu thereof “Except as provided in
11 paragraph (3) of this subsection, educational”; and

12 (2) by adding at the end the following new para-
13 graph:

14 “(3) Notwithstanding the provisions of paragraph (1) of
15 this subsection, a person entitled to educational assistance
16 under this chapter shall also be entitled to tutorial assistance
17 under this chapter in same manner and amount, to the same
18 extent, and under the same conditions as provided under sec-
19 tion 1692 of title 38.”.

20 (c) POST-VIETNAM ERA EDUCATIONAL ASSISTANCE
21 PROGRAM.—(1) Subchapter III of chapter 32 of title 38,
22 United States Code, is amended by inserting after section
23 1633 the following new section:

1 **"§ 1634. Tutorial assistance**

2 “(a) A veteran entitled to benefits under this chapter
3 shall, without charge to the veteran's entitlement to such
4 benefits, also be entitled to the benefits provided an eligible
5 veteran under section 1692 of this title.

6 “(b) Payments of benefits under this section shall be
7 made out of funds available for payments under such section
8 1692.”.

9 (2) The table of sections at the beginning of such chap-
10 ter is amended by inserting after the item relating to section
11 1633 the following new item:

“1634. Tutorial Assistance.”.

12 (d) INCREASE IN MAXIMUM TUTORIAL ASSISTANCE
13 PAYMENTS.—(1) Section 1692(b) of title 38, United States
14 Code, is amended by striking out “\$84” and “\$1,008” and
15 inserting in lieu thereof “\$100 and \$1,200”, respectively.

16 (2)(A) The heading of section 1692 of such title is
17 amended to read as follows:

18 **"§ 1692. Tutorial assistance".**

19 (B) The item relating to section 1692 in the table of
20 sections at the beginning of chapter 34 is amended to read as
21 follows:

“1692. Tutorial assistance.”.

22 (e) EFFECTIVE DATE.—The amendments made by this
23 section shall take effect on October 1, 1988.

Opening Statement
 Senator Alan Cranston
 Chairman

Committee on Veterans' Affairs

Hearing on S. 1997, the proposed "Montgomery GI Bill Amendments of 1988"; S. 2307, the proposed "Veterans' Educational Assistance Act of 1988", S. 2383, the proposed "Veterans' Education Benefits Amendments of 1988", and S. 820, the proposed "Veterans' Education Amendments of 1987"

May 25, 1988

Good morning, and welcome to this morning's hearing on education issues affecting veterans and servicemembers.

I want to state at the outset that I believe that the Montgomery GI Bill (MGIB) is doing what this Committee intended when we met in this room last year on February 4 to hear testimony on my bill, S. 12, to make the New GI Bill permanent. The program statistics, by any measure, reflect the effectiveness of the MGIB in both the active duty and reserve components. During fiscal year 1987, 69.7 percent of all active-duty recruits in the four branches of the military services have participated, and thus far this year 77.7 percent have participated. In the case of the Selected Reserve, through April 14, 1988, the VA has processed more than 95,000 applications for the program, and reserve components of all four branches have reported that the MGIB is a valuable and cost-effective recruitment method. We are immensely proud of the success of the Montgomery GI Bill, and I think we should be very cautious about any changes to its basic structure at this point, and that includes proposals I myself have put forward.

Today's agenda focuses on four bills:

S. 1997, the proposed "Montgomery GI Bill Amendments of 1988".

S. 2307, the proposed "Veterans' Educational Assistance Act of 1988", the Administration bill.

S. 2383, the proposed "Veterans' Education Benefits Amendments of 1988".

S. 820, the proposed "Veterans' Education Amendments of 1987".

S. 1997

The first item, S. 1997, is legislation I introduced on December 21, 1987, with the cosponsorship of Committee Members Matsunaga, DeConcini, Mitchell, Rockefeller, and Graham, Senators Kennedy and Cohen of the Armed Services Committee, and Senator Dole. This measure would give the Secretary of Defense the discretionary authority, after consultation with the Service Secretaries, the Secretary of Transportation, and the Administrator of Veterans' Affairs, to stretch out the \$1,200 basic-pay reduction of MGIB participants. Under the bill, the system under which the basic pay is reduced by \$100 per month over 12 months could be altered so that the monthly reduction is as low as \$60 per month over up to 20 months. Our bill would require that any such decrease would be made applicable to all new recruits in all four branches and would not permit some or all recruits to be given the option of either \$100 per month for 12 months or \$60 per month for 20 months, or something in between, or allow variations among the different services. This approach would avoid the increased administrative burdens and costs as well as possible interservice rivalries that would be associated with a variable-reduction system.

Stretching out these payments could afford a greater number and percentage of recruits an opportunity to participate in the MGIB. Most new recruits receive only \$524 per month in net pay. The required \$100 per month reduction in pay -- which represents almost 20 percent of a recruit's monthly wage -- is a sizable sum, possibly making participation difficult for a substantial number of recruits. The Congressional Budget Office has estimated that reducing the \$100 per month basic-pay reduction would increase overall participation in the program by 10 percent.

This measure would also provide for payments to the survivors of certain MGIB participants who die while serving on active duty. Specifically, it would require the VA to pay to the survivor of a participating servicemember who dies from service-connected causes while on active duty the total amount that the servicemember's pay had been reduced by reason of his or her participation in the program minus any amount the participant had received in chapter 30 benefits. In the event that the servicemember dies on active duty as the result of an injury or disease considered not to be service-connected -- that is, an injury that was the result of the servicemember's own willful misconduct or was otherwise not incurred in the line of duty -- the survivor would not be eligible for the payment.

The tragic loss of 37 heroic sailors on the U.S.S. Stark in March 1987 and the untimely loss of 248 soldiers in the Gander air crash of a military charter on December 1985, serve as grim reminders that some MGIB participants -- for causes arising in service which are totally beyond their control -- never have the opportunity to benefit from a

program they agreed to participate in through reductions in their basic pay. In view of the immeasurable loss suffered by family and loved ones when a servicemember dies, I believe the modification we are proposing would be a compassionate, fully warranted gesture and that the provision should take effect retroactively as of the beginning of the New GI Bill on July 1, 1985. Although I support making this one exception to the nonrefundable and irrevocable nature of the basic-pay reduction under current law, this change might inevitably lead to a series of others that might undermine the basically simple, clear cut approach of the current law.

S. 2307

We are also hearing testimony on an Administration-proposed veterans' education bill, S. 2307, which I introduced by request on April 21, 1988. This bill proposes a number of changes -- mostly beneficial -- to the education and rehabilitation programs administered by the VA.

S. 2383

The third bill on which we will be hearing testimony is S. 2383, which I introduced on May 12, 1988, with Senators Matsunaga and Graham.

Vietnam-Era GI bill Eligibility for Certain
Service Academy and SROTC Graduates

Section 2 of S. 2383 would make eligible for Vietnam-era GI Bill benefits under chapter 34 of title 38 those individuals who (a) before January 1, 1977, commenced their third academic year as cadets or midshipmen at one of the service academies or as members of the Senior Reserve Officer Training Corps (SROTC) under section 2104 or 2107 of title 10, (b) served on active duty for more than 180 days after graduation from one of the service academies or after completion of the title 10 educational assistance program, (c) if separated from active duty were discharged or released under conditions other than dishonorable, and (d) enrolled in the chapter 32, post-Vietnam-era Veterans' Educational Assistance Program (known as "VEAP"), which was closed to new enrollments on July 1, 1985.

Those persons who meet these conditions and before January 1, 1990, file with the VA an election -- which would be irrevocable -- to receive chapter 34 eligibility and, if enrolled in VEAP at the time of the election, to be disenrolled from VEAP would be ineligible thereafter to participate in VEAP. Any amount that the veteran contributed to the Post-Vietnam Era Veterans' Education Account ("VEAP account") which has not been paid to the individual would be refunded within 60 days after the VA's receipt of application for the refund. If the individual had received educational benefits under chapter 32, he or she would also be paid any amount by which the educational assistance the individual would have received, if eligible, under chapter 34 for the courses involved

exceeded the educational assistance which the individual received under chapter 32 for those courses.

Finally, any remaining amount contributed to the VEAP account on behalf of the individual by the Secretary of Defense pursuant to section 1622(c) of title 38, would, upon the individual's disenrollment, be returned to the Secretary in accordance with the usual VEAP disenrollment procedures and processes.

The purpose of this legislation is to provide a measure of equity for service academy graduates in the classes of 1977 and 1978 and for 1978 SROTC graduates. The October 1976 legislation establishing VEAP under chapter 32 of title 38 -- Public Law 94-502 -- generally provided eligibility for VEAP to those entering active-duty service on or after January 1, 1977. Under VEAP, participants were required to make substantial contributions during their active duty in order to participate in the program. That same legislation generally closed the non-contributory chapter 34, Vietnam-era GI bill -- which generally provided greater benefits -- to those entering active duty after December 31, 1976.

In light of the commitments made by persons involved in the delayed-entry program, Congress made an exception preserving chapter 34 eligibility for those who entered active duty after December 31, 1976, but previously had contracted with the Armed Forces and were enlisted in or assigned to a reserve component before January 1, 1977, and entered active duty within 12 months after that date.

SROTC participants who graduated from college in 1977 and entered active duty by December 31, 1977, met the requirements of that

eligibility. However, service academy graduates in the class of 1977, who at the end of their second year in 1975 had entered into contracts committing them to enter active duty, did not meet the requirements of this exception -- because they had not enlisted in or been assigned to a reserve component before January 1, 1977. Likewise, 1978 SROTC and service academy graduates, who in 1976 entered into contracts committing themselves to enter active duty, did not receive chapter 34 eligibility -- in the case of 1978 SROTC graduates because they did not enter active duty before January 1, 1977, and in the case of the service academy graduates both for that reason and because they had not joined a reserve component before that date.

This provision would remove this inequity for those individuals who -- by their participation in the chapter 32 program -- demonstrated an interest in earning education benefits during their service. It is these individuals who clearly are most likely to have taken into account the availability of Vietnam-era GI bill benefits in making the decision to commit themselves to the active-duty obligation entailed in entering the second half of their college careers at the service academies or under the SROTC program.

Based on preliminary data provided by the Congressional Budget Office, it is anticipated that the cost of these chapter 34 benefits would be significantly less than \$1 million in any one year, including the first year when certain retroactive payments would be made for training incurred prior to the enactment date. There were approximately 5,600 graduates of the 4 service academies in 1977 and 1978. Of these, about 11 percent had prior service and are already eligible for chapter

34 benefits. This leaves about 5,000 academy graduates who could be affected by this bill, and it is estimated that only a small percentage of them enrolled in VEAP. Similarly, the percentage of 1978 graduates who participated in the chapter 32 program is also considered to be relatively small.

Finally, I would add that I expect to receive soon from the Secretaries of Defense and Transportation and the Administrator of Veterans' Affairs data on the exact percentages of 1978 ROTC graduates and 1977 and 1978 service academy graduates who participated in VEAP.

Course Withdrawals

Section 3 of S. 2383 would create an exception to section 1780(a)(4) of title 38, which, unless there are mitigating circumstances, precludes the payment of educational assistance to any eligible veteran or person from a course from which the student withdraws. The new exception would provide that mitigating circumstances would be considered by law to exist in the first instance of a student's withdrawal from a course or courses being pursued with VA-administered benefits to the extent that the withdrawal does not exceed 6 semester hours or the equivalent thereof.

Currently, if a person receiving VA education benefits withdraws from a course, an overpayment is created; that is, the amount of the benefits paid by reason of the student enrollment in the course becomes a debt that the student owes the VA. If the veteran applies for a waiver of the overpayment, he or she must demonstrate there were

mitigating circumstances. If none are found to exist, the overpayment remains.

VA studies of overpayments under both the chapter 34 program and the MGIB have found that 61 percent and 74.4 percent, respectively, of these overpayments were due to course withdrawals and the beneficiary's inability to demonstrate that there had been mitigating circumstances.

Often a beneficiary pursuing an undergraduate program will test his or her academic proficiency with respect to the number or complexity of courses in which he or she enrolls and may experience substantial difficulty in achieving a satisfactory grade when too heavy an academic load has been chosen. The beneficiary's choices then are either (a) to withdraw from the course within the drop/add rules of the school and receive a nonpunitive grade -- For a course the beneficiary typically has already paid for -- and be charged by the VA with an overpayment unless mitigating circumstances are involved, or (b) not withdraw from the course and risk receiving a failing grade but retain GI bill eligibility in connection with that course. Non-VA students do not encounter the penalty involved in the former alternative. Thus, this provision would for up to 6 credit hours put veterans in basically the same position as nonveteran students and provide them with a less onerous choice when facing this dilemma.

This provision would also produce a number of other favorable results: First, it would obviously reduce the frequency and dollar amount of education overpayments; second, it would allow the beneficiary to test his or her academic limits without the penalty resulting from creation of an education overpayment; and, third, after the first

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instance of course withdrawal, it would permit the VA fully and clearly to explain to the affected individual that, in future instances of course withdrawals, mitigating circumstances would have to be demonstrated in order to avoid an overpayment.

Tutorial Assistance

Section 4 of S. 2383 would create entitlement to individualized tutorial assistance for individuals who are pursuing an education program under the MGIB -- chapter 30 of title 38, for those who earn entitlement at least in part through active-duty service, or chapter 106 of title 10, for members of the Selected Reserve -- or VEAP under chapter 32 of title 38. Approximately, 236,000 veterans and eligible persons have benefited from the tutorial assistance available under chapter 34 and 35, and I am proud to have authored this program in 1970. It has been of value for Vietnam-era veterans -- as both tutoring recipients and tutors -- and I believe it can be just as valuable for chapter 32 and All-Volunteer Force veterans and members of the Selected Reserve. Under our provision, the Administrator would pay to the eligible individual receiving tutorial assistance a reimbursement not to exceed \$100 per month, for a maximum of 12 months, or until a maximum of \$1,200 is used. Under the current tutorial assistance provision in chapter 34, the VA may pay up to \$84 per month, up to a total of \$1,008.

S. 820

The final bill on today's agenda is S. 820 introduced by Senator Daschle on March 24, 1987, which would authorize the payment of benefits under the MGIB for flight training based on the following conditions:

(a) the training is (1) offered by an institution of higher learning for credit toward a standard college or university degree, or (2) generally accepted as necessary for the attainment of a recognized vocational objective in the field of aviation, or (3) generally recognized as ancillary to the pursuit of a vocational endeavor other than aviation; (b) the individual possesses a valid private pilot's license and meets the medical requirements necessary for a commercial pilot's license; and (c) the flight courses meet the Federal Aviation Administration standards and are approved by the State approving agency. The educational assistance allowance provided for flight training would be 75 percent of the established charges for tuition and fees.

Conclusion

I am looking forward to the testimony of each of our witnesses this morning. Once again, I want to express my deep appreciation to Senator Matsunaga for chairing this morning's hearing.

STATEMENT OF SENATOR FRANK H. MURKOWSKI (R.-AK)
AT
HEARING ON VETERAN'S EDUCATION BENEFITS

GOOD MORNING:

I AM PLEASED TO JOIN WITH CHAIRMAN CRANSTON IN WELCOMING THE VERY KNOWLEDGEABLE WITNESSES WE WILL HEAR THIS MORNING. I CONGRATULATE SENATOR CRANSTON FOR HIS INITIATIVE IN SCHEDULING THIS HEARING.

FEW VETERANS' BENEFITS, INDEED FEW GOVERNMENT PROGRAMS, CAN MATCH THE RECORD OF SUCCESS WRITTEN BY VETERANS' READJUSTMENT AND EDUCATION BENEFIT PROGRAMS. ONE NEED ONLY COMPARE THE EXTENT AND BREADTH OF THE HIGHER EDUCATION OBTAINED BY THE WORLD WAR II AND SUBSEQUENT GENERATIONS OF VETERANS WITH THE NARROWNESS OF PRE-WAR HIGHER EDUCATION TO SEE AND UNDERSTAND THE IMPACT OF VETERANS' EDUCATION BENEFITS ON THE VETERANS WHO HAVE SERVED OUR COUNTRY. ONE NEED ONLY COMPARE OUR SOCIETY BEFORE WORLD WAR II WITH THAT WHICH EXISTS TODAY TO SEE AND UNDERSTAND THE IMPACT OF PROVIDING ACCESS TO HIGHER EDUCATION ON A BROAD BASIS.

IT SEEMS COMMONPLACE TODAY TO ASSUME THAT, AS A MATTER OF COURSE, OUR YOUNG HIGH SCHOOL GRADUATES WILL HAVE AN OPPORTUNITY FOR HIGHER EDUCATION. IT WAS NOT ALWAYS SO. PRIOR TO THE WORLD WAR II GI BILL, OPPORTUNITIES FOR COLLEGE EDUCATION WERE LIMITED.

IT WAS THE WORLD WAR II GI BILL, RESPONDING TO THE SERVICE OF RETURNING VETERANS, THAT OPENED THE DOORS TO AMERICA'S COLLEGES BY PROVIDING AN EARNED OPPORTUNITY FOR HIGHER EDUCATION. THE COUNTRY IS FOREVER RICHER FOR THE VISION THAT LED TO THAT PROGRAM.

AND NOW THE COUNTRY, AND THOSE WHO SERVE IN ITS ARMED FORCES, ARE RICHER FOR THE VISION OF CHAIRMAN SONNY MONTGOMERY. CHAIRMAN MONTGOMERY WAS TIRELESS IN HIS PURSUIT OF A PERMANENT PEACETIME GI BILL. HIS EFFORTS BLOSSOMED IN THE PILOT EDUCATION PROGRAM ESTABLISHED IN 1985 AND BORE FRUIT IN 1987 WHEN THAT PROGRAM WAS MADE PERMANENT.

TODAY, THE TASK OF THE CONGRESS IS TO PERFECT THE EDUCATION PROGRAMS ESTABLISHED TO ASSIST THE READJUSTMENT OF FORMER MEMBERS OF THE ARMED FORCES AND TO ENSURE THESE PROGRAMS MEET THEIR INTENDED GOALS IN THE MOST EFFICIENT AND EFFECTIVE MANNER.

OUR HEARING THIS MORNING WILL BE ONE STEP IN THAT PROCESS.

STATEMENT BY SENATOR STROM THURMOND (R-S.C.) BEFORE THE SENATE COMMITTEE ON VETERANS AFFAIRS REFERENCE HEARING ON AMENDMENTS TO THE MONTGOMERY GI BILL, MAY 25, 1988, SR-418, 10:00 A.M.

MR. CHAIRMAN:

It has been almost one year since we enacted into law the Montgomery G.I. Bill. By making the G.I. bill permanent, that legislation represented a very significant step.

Mr. Chairman, I am pleased that you have scheduled hearings today on a variety of bills which would further amend this important legislation.

As we all know, the current G.I. bill provides for a \$100 deduction from the basic pay of a recruit during the first 12 months of service. In return, when the recruit completes a three year tour of active duty, he is entitled to \$10,800 in educational assistance over a subsequent three year period.

One bill before us today would reduce the amount of the monthly deduction and stretch out the time period for the deduction. This legislation would also provide for a payment to the survivors of certain G.I. bill participants, who die while on active duty.

Other legislation to be considered today would permit the use of G.I. bill benefits to finance flight training, would make certain 1977 and 1978 service academy graduates and 1978 R.O.T.C. graduates eligible for benefits, would permit students to withdraw from courses without being required to repay benefits, and would permit G.I. bill recipients to receive tutorial assistance.

Mr. Chairman, I think it is important that we carefully scrutinize each of these matters, particularly in light of the fact that the G.I. bill has been permanent for only one year.

I look forward to hearing from our distinguished group of witnesses today and I intend to carefully review their written testimony.

Statement of
SENATOR TOM DASCHLE
 South Dakota

Before the
 Committee on Veterans Affairs
 United States Senate
 May 25, 1988

Mr. Chairman, I greatly appreciate the opportunity to testify before the Senate Veterans Affairs Committee today on S. 820, legislation to authorize the use of Montgomery GI Bill benefits for the pursuit of vocational flight training.

Before I begin testifying on S. 820, I also want to stress my strong support for S. 1997, legislation to authorize the stretching out of the \$1,200 basic-pay reduction for Montgomery GI bill participants and to provide for payments to survivors of participants and survivors who die on active duty, and the intent of S. 2307, the proposed "Veterans Educational Assistance Act of 1988."

Today marks the latest chapter in a long history of important contributions the Chairman of this Subcommittee, Mr. Cranston, and the Ranking Minority Member, Mr. Murkowski, have made in developing and refining the Montgomery GI Bill. Without their dedication, the Montgomery GI Bill undoubtedly would not be the unmitigated success that it is.

I suggest to the members of the Committee that we have the opportunity to improve the GI Bill by including flight training benefits under that program. As a pilot, a veteran, and a past Chairman of the House Veterans Subcommittee on Education, Training, and Employment, I have studied this issue a great deal over the last several years. With the pilot shortage reaching a crisis stage and the airline industry growing exponentially, I am more convinced than ever that it makes sense to provide flight training for qualified veterans.

The desperate need for more pilots cries out from contemporary headlines. The Christian Science Monitor tells us "Pilot Demand Making Airlines Less Choosy (11-20-87)" and "Delta's Problems Focus Attention on Training, Supply of Pilots (7-21-87)." The Associated Press warns, "Inexperience in Airline Cockpits Worrisome to Safety Officials (11-19-87)." Aviation Week and Space Technology writes "Four-Year Pilot Hiring Boom Creates Problems for (small regional) Carriers (10-5-87)."

The substance behind those headlines is more revealing and frightening. During the last 15 years, student pilot starts have dropped by 30%, and commercial pilot certificates issued have dropped by 58%. Though Americans continue to fly more and more every year, the average age of commercial pilots has risen 11 percent over the last 15 years to 42.6 years.

An aging airline pilot population and the explosive growth in air travel combine to make commercial aviation one of the most promising vocations of the future. In fact, in the next ten years, approximately 32,000 jet pilot jobs and 20,000 nonjet regional airline pilot positions will need to be filled. Unless something changes, we cannot come close to training that many pilots. In fact, it is estimated that by 1992 a catastrophic shortage of 4,000 commercial and instrument pilots is quite possible.

At the same time, unemployment among veterans remains a pervasive and tragic problem. One of every three homeless people on the streets on any given night is a veteran. Lack of adequate job training is probably the number one reason for this fact. Thousands of veterans cannot find work and thousands more are underemployed. While veterans education and job training programs are working for some, they are clearly not reaching all who need such assistance. We can, and must, strive to improve those programs.

We are missing a golden opportunity to put veterans to work by denying them the flight training option. The essence of effective career training is matching the skills and interests of unemployed individuals with vocations in demand. Veterans, many of whom have had direct or indirect experience in the field of aviation during their years in the service, are perhaps the most likely candidates for many of those 52,000 pilot positions that must be filled in the next decade.

My bill is quite simple. It will add vocational flight training to the list of options available to GI Bill beneficiaries. Under the bill, 75% of the tuition and fees from eligible flight schools will be covered by the GI Bill.

Some have suggested that veterans will abuse this program. They cite a 1979 GAO study which claims that only 16% of flight trainees under the program had full-time jobs specifically tied to the aviation industry. Clearly, however, the methodology of that nine year old GAO study must be understood before evaluating its results.

The GAO study measured only those individuals who listed job occupations that directly related to the aviation industry, such as "flight instructor" or "professional pilot." That criteria is unreasonably narrow. For instance, the distinguished Chairman of this Committee received formal training in journalism. Under the GAO method of analysis, he would be branded as having used his journalistic training for "avocational or recreational purposes," since he currently lists his occupation as "U.S. Senator." Yet, I am sure the Chairman's journalistic training was an important element in his phenomenal success as a public servant, and as a real estate executive prior to entering public life.

Likewise, aviation is a key component of other careers that are not solely related to the aviation industry. In western South Dakota, for example, if one is a plumber serving area families, who are often 100 or more miles apart from each other, he or she may very well soon be forced out of business without an airplane. Ranchers and salesmen in the west also find that flight training is a key to success in their chosen field. Clearly, those individuals are using their training for an essential "vocational" use, though, under the GAO study, they would be branded as "avocational" pilots.

Although I believe the extent of the abuses GAO claims is vastly overstated, the GAO did uncover legitimate examples of abuse in the VA flight training program, as administered in the past. We need to do all we can to prevent such abuse in the future. Toward that end, I have refined my bill to protect the integrity of the flight training program.

First, before being ruled eligible for the benefit, candidates must prove that they are serious about commercial aviation as a vocation by spending their own money (approximately \$3500) to secure a private pilot's license and meeting the medical requirements for certification as a commercial pilot. Second, state approving agencies must certify that the student's training is geared solely toward a vocational, rather than a recreational, objective. Finally, the training institute's curriculum must meet the stringent requirements established by the Federal Aviation Administration (FAA) for commercial pilots.

Mr. Chairman, this refinement of the Montgomery GI Bill makes good common sense. We desperately need more pilots, and I know how badly the members of the Committee want to find jobs for our nation's veterans. For something as desirable as this program is for veterans, it is not enough to simply look at one flawed study and say "the program has not worked in the past." We were elected to find ways to MAKE desirable concepts work to meet legitimate national needs. We can do that in this case.

Undoubtedly flight training, or any other eligible training program under the GI Bill, is prone to some amount of abuse. But having identified an illness, it is neither constructive nor responsible to automatically prescribe euthanasia as the only cure.

S. 820, if properly administered, would drastically reduce incidences of past abuse in the flight training program. It would also train thousands of deserving veterans for what promises to be one of the most promising career opportunities of the 1990's and beyond. For those reasons, I urge the passage of S. 820.

Thank you.

STATEMENT OF
R. J. VOGEL
CHIEF BENEFITS DIRECTOR
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE
May 25, 1988

Mr. Chairman and members of the Committee:

Thank you for the opportunity to provide our position on pending bills S. 1997, 820, 2383, and 2307, all of which would amend the various education programs for veterans and servicemembers administered by the VA.

With respect to S. 1997, section 1 of the bill would change the current pay reduction schedule for Montgomery GI Bill participants from \$100 per month for 12 months to an amount less than \$100 but not less than \$60 for each of the first 20 months (or the appropriate lesser number of months resulting in a total reduction of \$1,200) at the discretion of the Secretary of Defense. We note that in testimony last year before a subcommittee of the House Veterans' Affairs Committee on a similar bill, H.R. 3208, the Department of Defense testified that the current pay reduction schedule of \$100 per month for 12 months is meeting its enlistment incentive objectives for the Montgomery GI Bill program so that a change to such schedule is not needed. The VA continues to support the Defense Department's position on this issue since that Department's recruitment goals are being met.

Section 2 of S. 1997 would provide for a benefit payment to stipulated beneficiaries or survivors of a Montgomery GI Bill-Active Duty participant whose death while on active duty is service-connected. The death benefit would be in the amount by

which the participants' basic pay was reduced, less the amount paid to the participant in basic educational assistance, if any. We believe that such death benefit is appropriate under the delineated conditions and is analogous to section 103 of S. 2307 which I will discuss later in my testimony. In both cases, payment of this benefit should be funded from the appropriations of the employing agency, as the benefit is, in fact, a repayment of salary forgone.

S. 820 would authorize payment of Montgomery GI Bill benefits for pursuit of programs of vocational flight training necessary for the attainment of a recognized vocational objective in the field of aviation; or recognized as ancillary to the pursuit of a vocational endeavor other than aviation. This measure would retain such payment authorization for pursuit of flight training if offered by an institution of higher learning for credit toward a standard college or university degree.

An individual pursuing a program exclusively of vocational flight training would be paid an educational assistance allowance at the rate of 75 percent of the established charges for tuition and fees which similarly circumstanced nonveterans pay. The individual's entitlement would be charged 1 month for each payment equaling the total monthly amount of educational assistance the individual would be eligible to receive for full-time institutional training under the Montgomery GI Bill-Active Duty. A reservist training under the Montgomery GI Bill-Selected Reserve would be charged 1 month of entitlement for each \$140 paid to that individual.

The history of flight training under the noncontributory GI Bill shows clearly it has not led to jobs for the majority of trainees. In fact, a 1979 General Accounting Office survey conducted an in-depth review of these flight training courses

and concluded that they did not accomplish the basic employment objectives of the program, but tended to serve avocational, recreational, and personal enrichment goals, rather than basic employment objectives. The provisions of this bill are very similar to the provisions that governed flight training under the noncontributory GI Bill. We do not have reason to believe that these same abuses would not be repeated under the Montgomery GI Bill.

For these reasons, we are opposed to the introduction of vocational flight training as part of the Montgomery GI Bill.

Section 2 of S. 2383 would extend eligibility for noncontributory GI Bill (chapter 34) education benefits to an individual who had commenced his or her third academic year as a cadet or midshipman at one of the service academies or as a member of the Senior Reserve Officer Training Corps (SROTC) in a program of educational assistance under section 2104 or 2107 of title 10, United States Code, retroactive to January 1, 1977. The individual must have been separated after a period of at least 180 days active duty, served pursuant to receiving a commission following service academy graduation or completion of advanced SROTC, under other than dishonorable conditions. Further, the individual must have participated in the Post-Vietnam Era Veterans' Educational Assistance program (VEAP) before the date of enactment of this bill.

An individual eligible under this section would have to make an affirmative election before January 1, 1990, to receive chapter 34 education benefits. The election would disenroll a participant under VEAP, and would be irrevocable. Amounts contributed to the VEAP fund by the participant would be refunded.

If an individual had already received education benefits under VEAP, the refund would include the difference, if any, between the amount of the education benefits the individual would have received under chapter 34 and the amount of the education benefits the individual already received under VEAP for pursuit of the same program of education. If DOD contributed moneys to the VEAP fund as an inducement to encourage the individual to remain on active duty, an amount equal to such contribution would be refunded to that Department by the VA.

The Veterans Administration has been a proponent of corrective legislation to ameliorate the inequity created between those service academy graduates who were barred from receiving chapter 34 education benefits and those members of the SROTC who received a full scholarship and yet qualified for the noncontributory GI Bill. We continue to believe that since the 1977 academy graduates made their active duty commitments prior to the cutoff date for GI Bill eligibility, January 1, 1977, and entered on active duty within the 12-month period following such date, they should be entitled to the chapter 34 benefits available to them at the time of those commitments.

While this measure would address and correct the above mentioned inequity as to the 1977 academy graduates, it would also extend chapter 34 education benefits to eligible 1978 service academy and SROTC program graduates. All these individuals are not similarly situated, however, in that the latter group would not have been committed to enter on active duty during the same 12-month period following the basic January 1, 1977, cutoff date for chapter 34 eligibility. Thus, placing the 1978 graduates within the eligibility exception would, in effect, liberalize the qualifying criteria only as to them. In our view, this limited broadening of the chapter 34 eligibility criteria is not warranted. Later classes of academy

graduates and SROTC members who were in academic pursuit at the time of the statutory cutoff may also seek legislative remedies to address what they deem to be inequitable treatment.

We should point out that, if this bill ultimately were enacted, eligible service academy and SROTC program graduates would have only until December 31, 1989, in which to complete their chapter 34 training, since benefits under that chapter terminate by operation of law on January 1, 1990. Moreover, these individuals would not be eligible for benefits under the Montgomery GI Bill based on their chapter 34 eligibility.

Section 3 of S. 2383 would amend title 38 and chapter 106 of title 10 to permit one instance of a student's withdrawal from a course or courses being pursued with VA-administered benefits to the extent that the withdrawal would not exceed 6 semester hours or the equivalent thereof.

We have no objection to this provision. It would permit a student one opportunity to withdraw from a portion of an overloaded course schedule without having to justify such action by demonstrating mitigating circumstances. The avoidance of financial penalty to the student in such limited case would seem appropriate. Moreover, the provision is sufficiently restricted so as to safeguard the education benefits programs from abuse by those interested only in receiving such benefits rather than an education.

Section 4 of this bill would amend titles 10 and 38 by including new sections to provide tutorial assistance for veterans pursuing training under the Montgomery GI Bill and under VEAP in the same manner as such assistance is afforded an eligible veteran under the noncontributory GI Bill (chapter 34). The tutorial assistance would be in addition to the educational assistance

allowance payable and there would be no charge to the individual's entitlement. This section also would increase the amount of tutorial assistance payable under the VA-administered education benefit programs from \$84 to \$100 per month for 12 months (or until a maximum of \$1,200 is paid).

We have no objection to the payment of tutorial assistance to overcome an academic deficiency. Tutorial assistance for an individual in need of academic help to permit the student to successfully complete his or her education program would be in accord with the express statutory purposes for each of the education benefit programs administered by the VA. However, receipt of this benefit should be considered as part of the education program for purposes of charging to the individual's entitlement, as well.

We defer to DOD on the merits of the portion of the bill pertaining to the Montgomery GI Bill-Selected Reserve since matters affecting that program would be within their jurisdiction.

Finally, I would like to comment on S. 2307, which contains the VA's legislative program. This measure would make a number of amendments to the Agency's education and vocational rehabilitation programs to facilitate their administration and make certain provisions more equitable.

Title I contains six provisions, the first of which, section 101, provides that benefits for cooperative training would be available to participants under both the Montgomery GI Bill-Active Duty and the Post-Vietnam Era Veterans' Educational Assistance programs. Payment for such training is authorized at 80 percent of the basic full-time monthly rate otherwise

payable, with entitlement charged accordingly. Recent legislation now permits these veterans to pursue apprenticeship or other on-the-job training and to participate in the veteran-student services program. We believe it is appropriate that they be allowed to pursue cooperative training programs, as well.

Section 102 of the bill would amend the secondary school credentialing requirements necessary for entitlement to educational assistance under the Montgomery GI Bill by eliminating the need for an equivalency certificate. It would require, instead, that an individual have certain alternate secondary school credentials accepted by the Armed Forces as being equivalent to a secondary school diploma. We believe that the requirement of an equivalency certificate was originally intended to assist the military in obtaining high caliber personnel but, to that end, the education requirement should conform to standards as delineated by the Armed Forces themselves.

Section 103 would restore basic pay in the amount reduced for Montgomery GI Bill-Active Duty participation, less any inservice educational assistance received, to those servicepersons who receive an early discharge or release from service for a pre-existing nonservice-connected medical condition and who do not meet the length-of-service requirements for entitlement under that program. This provision would remedy the inequity for such persons who pay for but, through no fault of their own, are denied the opportunity to use educational benefits.

Section 104 of S. 2307 would amend the Montgomery GI Bill-Active Duty program to permit an election of benefits for an individual who completed 2 years on active duty and commenced service in

the Selected Reserve but, prior to completing his or her 4-year Selected Reserve obligation, receives a discharge due to disability. Such individual would be permitted to elect either the greater rate of educational assistance allowance payable under 38 U.S.C. § 1412 based on the combined active duty and Selected Reserve service or the full 36-month entitlement at the lesser rate of educational assistance under 38 U.S.C. § 1411 based on completion of 2 years of active duty.

Section 105 would amend title 38 to allow the use of nonpay programs in State or local government agencies, supported in whole or in part with Federal funds, to provide the training or work experience appropriate for an eligible service-disabled veteran's program of vocational rehabilitation. Currently, the law provides that the VA may use the facilities of any Federal agency to provide training or work experience at no or nominal pay as a part of a veteran's rehabilitation. Since many veterans who could benefit from such a program do not reside near Federal facilities but do live near State or local government facilities, this provision would permit them similar training or work experience.

Section 106 would reduce or eliminate education benefits paid under VEAP to persons incarcerated in a Federal, State or local penal institution for conviction of a felony. The amount paid would be the lesser of the allowance otherwise payable or the established charges for tuition, fees and necessary books, supplies and equipment. Further, this amount would be reduced to the extent tuition and fees are paid under other non-VA governmental programs. The VA currently reduces or eliminates benefit payments to veterans under its other education programs in response to the problem that veterans with substantial sums of money cause disruption in prisons.

Title II of S. 2307 contains self-explanatory provisions that provide for uniformity and improvement in the administration of our education programs. These provisions would provide for a change in the measurement of clock-hour, credit-hour courses pursued concurrently; extend the existence of the Administrator's Education Advisory Committee; and provide for a uniform policy with regard to remedial, refresher, or deficiency course pursuit. Certain technical and clerical amendments are included.

Mr. Chairman, we appreciate your introduction of S. 2307 on our behalf and the opportunity to testify on its provisions before this Committee which has done so much over the years for America's veterans. We would urge its prompt enactment.

Mr. Chairman, this concludes my testimony. I will be pleased to respond to any questions you or the other members of the Committee may have.

STATEMENT OF
THE ASSISTANT SECRETARY OF DEFENSE
FOR RESERVE AFFAIRS

HON. STEPHEN M. DUNCAN

HEARING BEFORE THE COMMITTEE ON VETERANS AFFAIRS

UNITED STATES SENATE

MAY 25, 1988

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
COMMITTEE

Mr. Chairman and Members of the Committee:

I am very pleased to be here today and to have the opportunity to discuss with you the proposed amendments to the Montgomery GI Bill. In view of the testimony by the representative of the Office of the Assistant Secretary for Force Management and Personnel, I will limit my comments to those proposed statutory changes that would affect members of the Selected Reserve. Before I specifically address the amendments currently under consideration, however, I think that it would be both useful to you and timely, to briefly review the status, effectiveness and administration of the Montgomery GI Bill for the Selected Reserve.

This program is, of course, a non-contributory, general entitlement program. Reserve officer and enlisted personnel who are "credentialed" high school graduates (i.e., who possess a secondary school diploma or an equivalency certificate) become eligible for education benefits after completing their initial active duty for training and 180 days of service in the Selected Reserve. Participants are required to enlist or to agree to serve in the Selected Reserve for at least six years. Those who continue their service in the Selected Reserve have up to ten years within which to use the full entitlement. Benefits are payable for as long as 36 months of education at the rate of \$140 per month for full-time study, \$105 for three-quarter time study, and \$70 per month for half-time study. Studies which are funded

under the program must be taken at an institution of higher learning and they are essentially limited to a baccalaureate degree.

The Montgomery GI Bill has been well-received by members of the Selected Reserve. Applications for benefits have shown steady growth since the program's inception in July, 1985. As of April 14, 1988, more than 95,000 new applications have been processed by the Veterans Administration. The table below reflects the participation rates by Reserve component by fiscal year through April 14, 1988. It is clear that more applications will be made in FY 88 than in any previous year. With little more than one-half of the year completed, the number of GI Bill applicants in the Selected Reserve is already nearly as great as the total for all of FY 1987.

**Montgomery GI Bill-Selected Reserve
Applicants by Component by Fiscal Year**

<u>Reserve Component</u>	<u>FY 1985*</u>	<u>FY 1986</u>	<u>FY 1987**</u>	<u>FY 1988***</u>	<u>Total</u>
Department of Defense	1,653	30,921	31,917	30,576	95,067
Army National Guard	(727)	13,707	12,090	11,615	38,139
Army Reserve	(331)	6,298	7,983	8,347	22,959
Naval Reserve	(132)	2,435	3,472	3,304	9,343
Marine Corps Reserve	(50)	852	2,017	2,432	5,351
Air National Guard	(281)	5,251	3,996	2,711	12,239
Air Force Reserve	(116)	2,179	2,078	1,928	6,301
Coast Guard Reserve	(16)	199	281	239	735

*FY 85 data are only for the fourth quarter, July 1 through September 30, 1985. Applicant figures shown reflect the dates when members of the Selected Reserve applied to the Veterans Administration with a Notice of Basic Eligibility for benefits. The number of persons who received benefits for a school term in the fourth quarter of FY 1985 was 11,783 for all of the Reserve components. All but 1,653 of these persons did not make formal application at the VA until after September 30, 1985. Individual Reserve component figures were not determined for FY 1985. However, to prevent distortion of the FY 1986 and later figures, the 1,653 applications in FY 1985 have been allocated to each Reserve component according to its proportion of applications in FY 1986.

**This information is derived from the VA Benefit Master File report. The last report in FY 1987 was as of September 17, 1987.

***October 1, 1987 through April 14, 1988.

The Montgomery GI Bill is a valuable recruiting incentive for the Reserve components, especially for new, high quality enlisted personnel. I am pleased to report that as of the end of FY 1987, 89 percent of the enlisted personnel in the Selected Reserve possessed at least a high school diploma or equivalency certificate.

Since participation in the program requires an obligated term of service of at least six years in the Selected Reserve, another measure of its value may be the increase in the number of six-year enlistments. If the two-year period before the program's effective date is compared to the two-year period following the effective date, it is apparent that Selected Reserve accessions into six-year or greater terms increased from 58.4 percent of all enlistments, to 66.1 percent. Of course, not all of this increase is attributable to the Montgomery GI Bill since enlistment bonuses and general economic conditions undoubtedly played a role in these enlistment decisions, but the program would seem to have been an important factor.

The value of the program as a retention incentive is also clear. I recently released the results of the first comprehensive written survey that has ever been taken of the individual members of the Reserve components. The survey was taken in 1986. One half of all enlisted personnel in pay grades E-1 to E-4 who responded indicated that the use of educational benefits was a major or moderate contributor to their decision to remain in the National Guard or Reserves.

The Montgomery GI Bill has also proven to be a well-targeted incentive. It is directly aimed at young high school graduates who are interested in pursuing their education beyond high school. As expected, 90 percent of the enlisted participants in the program are under age 30, while only 56 percent of all

enlisted members in the Selected Reserve are under age 30. Fifty percent of the participants are under age 22. Since eighty-five percent of the current participants are attending school either full-time or three-quarter time, the GI Bill would certainly appear to be reaching its intended audience.

We do, however, continue to face challenges in the administration of the Montgomery GI Bill-Reserve. While there has been a steady improvement in the accuracy and timeliness of automated data from the Services to the Defense Manpower Data Center relating to the eligibility of Reservists, benefit payments continue to be difficult to manage. Fortunately, through the use of revised off-line procedures and careful coordination with the Veterans Administration, the Department of Defense has been able to minimize individual inequities. We are also encouraging the Services to upgrade and to expand their in-house automation and staffing to a level which is sufficient to support reliance upon the automated eligibility reporting system. The system is designed to allow the transmission of eligibility data from each Selected Reserve unit to the appropriate Reserve component data processing center, then to the Defense Manpower Data Center, and finally, to the Veterans Administration. This past Fall, the system was improved by allowing direct VA Regional Office on-screen access to portions of the Defense Manpower Data Center data base.

Other recent improvements include a dramatic reduction in the number of Selected Reservists whose Montgomery GI Bill eligibility status has not been entered in the automated system. These members are reported as "unknown" in the Defense Manpower Data Center data base. The total number of "unknowns" for the six Department of Defense Reserve components (not including the Coast Guard Reserve) dropped from 249,163 in December, 1986, to 123,946, in December, 1987, a 50 percent reduction. The total number of eligible personnel reported increased from 141,116, in December, 1986, to 233,304, in December, 1987, an increase of 65 percent. Only within the Marine Corps Reserve was the number of "unknowns" substantially increased over this time period, and that is largely due to a late start (August, 1987) by the Marine Corps in automating its eligibility reporting system. At present, most of the Marine Corps "unknowns" consist of members who are attending initial active duty for training, who are ineligible until their training has been completed, and members who are providing full-time support to the Marine Corps Reserve. Although the Army National Guard also increased its number of "unknowns," its current five percent figure is reasonable in view of the large volume of ARNG transactions and its system efficiencies and resources.

You have requested that I comment today on the proposed changes to the Montgomery GI Bill which are contained in S. 1997, S. 820, S. 2307, and S. 2383. Since you have requested similar

testimony from the Office of Force Management and Personnel, I will be brief.

Of the numerous changes which are contained in the proposed legislation, five would impact directly on Chapter 106, Title 10, United States Code, "Educational Assistance for Members of the Selected Reserve." These are:

(1) Authorization of flight training as an approved educational program (S. 820);

(2) Modification of the high school "credential" requirement as a prerequisite for eligibility for Chapter 106 benefits (S. 2307);

(3) Permit deficiency/remedial/refresher training (secondary level) which is required before entry into an approved educational program (college level) (S. 2307);

(4) Permit payment for up to six hours of coursework from which a student is allowed to withdraw with a nonpunitive grade (not computed for grade average or graduation requirements) (S. 2383); and

(5) Permit tutorial assistance as is currently authorized under Chapter 34, Title 38, for Vietnam Era GI Bill recipients (S. 2383).

I will address these proposed changes individually:

S. 820 (Flight Training)

This proposed change would provide Montgomery GI Bill benefits for flight training. In testimony on October 15, 1987, before the Subcommittee on Education, Training and Employment, House Committee on Veterans Affairs, my office opposed adding flight training as an authorized educational program under the Montgomery GI Bill. This continues to be the position of the Department of Defense. Previous experience with flight training under Chapter 34, the Vietnam Era GI Bill, demonstrated that it was used primarily for avocational and recreational uses, rather than the program objectives of the law. Even though S. 820 is intended to be restricted to vocational pursuits, the language describing the approved program is nearly identical to that which authorized flight training under Chapter 34, section 1677, before it was repealed by P.L. 97-35, Title XX, section 2003(b), August 13, 1981.

We have an additional concern about the method of payment for flight training. The entitlement of reservists to GI Bill benefits runs concurrently with their qualifying participation in the Selected Reserve, unlike Chapter 30 benefits which are based primarily upon a completed term of service. Chapter 106, in fact, contains provisions for recovering benefit payments to reservists who fail to participate satisfactorily. Currently, the maximum monthly benefit (for full-time study) is \$140.

Thirty-six months are required to receive the maximum allowable benefit of \$5,040. For students who do not attend summer school, this translates into four calendar years. Payment for flight training under S. 820, however, would cover 75 percent of tuition and fees with one month's benefit charged for each \$140 received. Since commercial flight training is relatively expensive, a student pursuing it on an active basis could fairly quickly consume his or her entire GI Bill entitlement. For example, 20 hours of flight instruction per month at \$60/hour would entitle the reservist to GI Bill benefits of $75\% \times \$1,200 = \$900$. At this rate, in less than six months a reservist would entirely consume the maximum amount of GI Bill benefits. This imbalance between the remaining Selected Reserve obligation (up to five years) and the rate at which benefits are paid could result in increasing the level of unsatisfactory participation by prematurely severing the link between service and benefits.

S. 2307

This bill does, of course, contain various proposed changes to the educational assistance programs. We support the modification by S. 2307, section 102(3), of the secondary school "credential" requirement in section 2132(a)(2) of Title 10. This change would enable the Department of Defense to determine what shall be considered equivalent to a high school diploma without the mechanistic requirement of a document certifying that fact.

Section 102 should be amended in one important respect, however. The authority to determine what is equivalent to a secondary school diploma should be vested in the Secretary of Defense, and not in the Secretaries of the Military Departments. A placement of the authority in the Office of the Secretary of Defense will ensure uniformity of policy which is consistent with the current practice in the Department of Defense. A uniform definition is also necessary to maintain consistency of analysis and reporting. Finally, transfers between Reserve components, including transfers between the Services (for example, Army National Guard to Air National Guard), are not unusual for members of the Selected Reserve. Inconsistent definitions of secondary school equivalency could have the effect of terminating Montgomery GI Bill-Reserve eligibility if a Selected Reservist who is transferred from a component with a less restrictive definition (accept college semester, for example), is transferred to one with a more restrictive definition (for example, no college semester.)

We also concur in the proposed amendments which would authorize deficiency, remedial and refresher training as a prerequisite to entrance into an undergraduate program offered by an institution of higher learning. I would note, however, that section 2131(c)(1) of Chapter 106 restricts Montgomery GI Bill-Reserve payments to programs which are offered by institutions of higher learning. Consequently, this amendment and others which purport to enlarge the authorized program under Chapter 106 by

including references in section 2136(b), would remain subject to the "institution of higher learning" restriction in section 2131(c)(1). We believe that this is an appropriate restriction since the Montgomery GI Bill-Reserve is primarily targeted at recent high school graduates who would normally not require additional secondary school coursework from sources other than the institution of higher learning.

S. 2383

The Department of Defense has no objection to an amendment to Chapter 106, Title 10, that would permit payment for up to six hours of noncredit coursework from which a nonpunitive withdrawal is approved by the educational institution.

Finally, the Department supports payments for limited tutorial assistance under Chapter 106.

Mr. Chairman, this completes my testimony. I thank you once again for the opportunity to appear before the Committee. I would be pleased to respond to any questions you may have.

TESTIMONY OF

LIEUTENANT GENERAL ANTHONY LUKEMAN, USMC
DEPUTY ASSISTANT SECRETARY OF DEFENSE
(MILITARY MANPOWER AND PERSONNEL POLICY)

BEFORE THE
SENATE COMMITTEE ON VETERANS' AFFAIRS

S. 1997, S. 820, S. 2383 AND S. 2307
(MONTGOMERY GI BILL AND RELATED
EDUCATIONAL ASSISTANCE PROGRAMS)

25 MAY 1988
ROOM 418, RUSSELL SENATE OFFICE BUILDING

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
COMMITTEE

GOOD MORNING, MR. CHAIRMAN.

IT IS A PRIVILEGE TO APPEAR BEFORE THIS COMMITTEE TO DISCUSS THE EDUCATIONAL ASSISTANCE PROGRAMS OF THE ARMED FORCES. SERVICE MEMBERS AROUND THE WORLD ARE MOST APPRECIATIVE OF YOUR INTEREST IN THEIR EDUCATIONAL OPPORTUNITIES, BOTH WHILE SERVING IN UNIFORM AND SUBSEQUENTLY WHEN THEY LEAVE MILITARY SERVICE.

YOU HAVE REQUESTED THAT I COMMENT TODAY ON THE DEPARTMENT'S POSITION WITH RESPECT TO CHANGES TO THE MONTGOMERY GI BILL AND RELATED EDUCATIONAL PROGRAMS AS PROPOSED IN S. 1997, S. 820, S. 2383, AND S. 2307.

S. 1997 WOULD AUTHORIZE A PAYMENT TO THE SURVIVORS OF CERTAIN PARTICIPANTS WHO DIE ON ACTIVE DUTY, AND IT WOULD STRETCH OUT THE \$1,200 BASIC PAY REDUCTION OF MONTGOMERY GI BILL PARTICIPANTS. THE DEPARTMENT OF DEFENSE SUPPORTS THE PAYMENT TO SURVIVORS OF MONTGOMERY GI BILL PARTICIPANTS WHO DIE ON ACTIVE DUTY. COST OF THE REPAYMENT WOULD BE MINIMAL. DOD DOES NOT, HOWEVER, SUPPORT CHANGING THE CURRENT PAY REDUCTION SCHEDULE TO A SMALLER MONTHLY AMOUNT OVER A LONGER PERIOD OF TIME.

WITH AN AVERAGE DOD-WIDE PARTICIPATION RATE FOR FISCAL YEAR 1988 OF 77.6 PERCENT, THERE APPEARS TO BE GENERAL SATISFACTION AMONG SERVICE MEMBERS WITH THE CURRENT PAY REDUCTION SCHEDULE. LOWERING THE MONTHLY PAY REDUCTION SCHEDULE TO \$60 PER MONTH FOR

20 MONTHS WOULD INCUR A COST TO THE GOVERNMENT OF AN ESTIMATED \$88 MILLION IN LOST REVENUE DURING THE FIRST 2 YEARS FOLLOWING ENACTMENT, BECAUSE OF THE SMALLER PAY REDUCTIONS FOR NEW MEMBERS JOINING THE PROGRAM.

S. 820 WOULD ALLOW MONTGOMERY GI BILL PARTICIPANTS, UNDER BOTH TITLE 38 FOR ACTIVE COMPONENT MEMBERS AND TITLE 10 FOR RESERVE COMPONENT MEMBERS, TO RECEIVE EDUCATIONAL BENEFITS FOR FLIGHT TRAINING. THE DEPARTMENT DOES NOT CONCUR WITH THE INTRODUCTION OF FLIGHT TRAINING COURSES UNDER THE MONTGOMERY GI BILL. A 1979 GENERAL ACCOUNTING OFFICE SURVEY CONDUCTED AN IN-DEPTH REVIEW OF FLIGHT TRAINING COURSES THAT WERE PERMITTED UNDER THE FORMER GI BILL. THAT SURVEY CONCLUDED THAT THE FLIGHT TRAINING PROVIDED DID NOT ACCOMPLISH THE BASIC EMPLOYMENT OBJECTIVES OF THE PROGRAM, BUT RATHER TENDED TO SERVE AVOCATIONAL, RECREATIONAL AND PERSONAL ENRICHMENT GOALS.

S. 2383 WOULD PROVIDE RETROACTIVE OLD GI BILL ELIGIBILITY FOR CERTAIN 1977 AND 1978 SERVICE ACADEMY GRADUATES AND 1978 SENIOR ROTC GRADUATES, WOULD PROVIDE PAYMENT UNDER CERTAIN CONDITIONS FOR COURSES FOR WHICH THE GRADE ASSIGNED IS NOT USED IN COMPUTING REQUIREMENTS FOR GRADUATION, AND WOULD MAKE ACTIVE AND RESERVE COMPONENT STUDENTS ELIGIBLE FOR TUTORIAL ASSISTANCE UNDER TITLE 38 AND TITLE 10. DOD SUPPORTS THE LATTER TWO PROVISIONS OF THIS BILL. AS IN THE PAST, THE ADMINISTRATION

SUPPORTS RETROACTIVE ELIGIBILITY FOR THE 1977 SERVICE ACADEMY GRADUATES ONLY.

S. 2307 WOULD MAKE SEVERAL AMENDMENTS TO THE EDUCATIONAL ASSISTANCE PROGRAMS PROVIDED FOR UNDER TITLE 10 AND TITLE 38, UNITED STATES CODE. DOD SUPPORTS (1) PROVIDING BENEFITS FOR COOPERATIVE TRAINING UNDER CHAPTERS 30 AND 32 (SECTION 101); (2) AUTHORIZING INDIVIDUALS ELIGIBLE FOR CHAPTER 30 BENEFITS, SEPARATED PRIOR TO THE COMPLETION OF A 4-YEAR SELECTED RESERVE OBLIGATION AS A RESULT OF DISABILITY, TO ELECT WHETHER THEY WANT TO RECEIVE BENEFITS UNDER SECTION 1411 OR SECTION 1412 OF CHAPTER 30 (SECTION 104); (3) ALLOWING THE USE OF NONPAY PROGRAMS IN STATE OR LOCAL GOVERNMENT AGENCIES, SUPPORTED IN WHOLE OR PART WITH FEDERAL FUNDS, TO PROVIDE THE TRAINING OR WORK EXPERIENCE APPROPRIATE FOR AN ELIGIBLE SERVICE-DISABLED VETERAN'S PROGRAM OF VOCATIONAL REHABILITATION (SECTION 105); (4) LIMITING THE AMOUNT PAYABLE TO PERSONS INCARCERATED IN A FEDERAL, STATE, OR LOCAL PENAL INSTITUTION FOR CONVICTION OF A FELONY TO THE LESSER OF THE ALLOWANCE OTHERWISE PAYABLE OR THE ESTABLISHED CHARGES FOR TUITION, FEES AND NECESSARY BOOKS, SUPPLIES AND EQUIPMENT (SECTION 106); (5) SIMPLIFYING THE METHOD OF CONVERTING COLLEGE CREDIT HOURS TO EQUIVALENT CLOCK HOURS (SECTION 201); (6) EXTENDING THE EXISTENCE OF THE ADMINISTRATOR'S EDUCATION ADVISORY COMMITTEE FROM ITS PRESENT TERMINATION DATE OF DECEMBER 31, 1989, TO THE NEW DATE OF DECEMBER 31, 1993 (SECTION 202); (7) PROVIDING FOR EDUCATIONAL

ASSISTANCE FOR REMEDIAL, REFRESHER, AND DEFICIENCY CLASSES NECESSARY TO PURSUE A PROGRAM OF EDUCATION UNDER CHAPTERS 30, 32, AND 35 OF TITLE 38 AND CHAPTER 106 OF TITLE 10 (SECTION 203); (8) MAKING THE FIVE TECHNICAL AND CLERICAL AMENDMENTS PROPOSED IN SECTION 204; AND (9) ADDING THE ASSISTANT SECRETARY OF DEFENSE (FORCE MANAGEMENT AND PERSONNEL) AS AN EX OFFICIO MEMBER TO THE COMMISSION TO ASSESS VETERANS' EDUCATION POLICY (SECTION 205).

DOD RECOMMENDS A MINOR MODIFICATION TO SECTION 102 OF S. 2307. SECTION 102 WOULD ELIMINATE THE REFERENCE TO A SECONDARY SCHOOL EQUIVALENCY CERTIFICATE, PERMITTING AN INDIVIDUAL TO PARTICIPATE WITH AN ALTERNATE SCHOOL CREDENTIAL ACCEPTABLE AS DETERMINED BY THE SECRETARY CONCERNED. TO ENSURE CONSISTENCY OF POLICY ACROSS ALL SERVICES, DOD RECOMMENDS THAT THE AUTHORITY TO DETERMINE THE ACCEPTABILITY OF ALTERNATE SCHOOL CREDENTIALS BE VESTED IN THE SECRETARY OF DEFENSE.

THANK YOU FOR THE OPPORTUNITY TO PRESENT THE VIEWS OF THE DEPARTMENT OF DEFENSE ON THESE IMPORTANT LEGISLATIVE PROPOSALS.

**THE NON COMMISSIONED OFFICERS ASSOCIATION
OF THE UNITED STATES OF AMERICA**

"STRENGTH IN UNITY"



Statement of

Charles R. Jackson
Executive Vice President, Government Affairs

before the

Committee on Veterans' Affairs
United States Senate

on

Veterans' Education Legislation

May 25, 1988



NATIONAL CAPITAL OFFICE
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The Non Commissioned Officers Association of the USA (NCOA) representing more than 160,000 active, retired, reserve and veteran enlisted members of the military community is grateful for the opportunity to present its views on the proposed education program changes under consideration today.

Under specific consideration today are S.1997, a bill to authorize stretching-out the \$1,200 basic pay reduction for participants in the Montgomery G.I. Bill program and to provide for a payment to survivors of participants who die on active duty; S.820, a bill to provide for flight training under the Montgomery G.I. Bill; S.2383, a bill to provide Chapter 34 eligibility to certain 1977 and 1978 service academy graduates and 1978 Senior Reserve Officer Training Corps graduates. S.2383 would also allow for the non-punitive withdrawal from courses of up to six credits without creation of an overpayment, extend eligibility for tutorial assistance to Montgomery G.I. Bill and VEAP students and increase the maximum tutorial allowance from \$84 to \$100 per month not to exceed \$1,200. The final measure under consideration is S.2307, the Veterans' Education Assistance Act of 1988.

NCOA Objectives

NCOA has four priorities for improving veterans' education programs. Only one of them is addressed in the legislation being considered today. First and foremost NCOA believes participation fees should be eliminated. Extending the pay reduction period is a solution only if fees can not be eliminated. NCOA also believes that refunds to survivors or participants unable to utilize the benefit is appropriate. Second, special exceptions should be made to extend Chapter 30 benefits to career servicemembers who are forced to leave service prior to June 30, 1988 because of high-year tenure regulations. Third, servicemembers eligible for Chapter 32 (VEAP) benefits should be permitted to convert to the Montgomery G.I. Bill. Finally, enrollment in the Montgomery G.I. Bill should be available at reenlistment for those who were financially unable to participate during initial enlistment.

NCOA has long believed that participation fees for veterans' education benefits discriminate against those most needy of assistance and those who might benefit most from educational opportunities. Thirty percent of recruits

entering the services are married, many with a small child, at a time when their military earnings are at their lowest levels. Servicemembers are required to forfeit nearly 20 percent of their base pay for future education benefits. A majority of these who would like to participate in the program simply can not afford to do so. S.1997 allows the Secretary of Defense to set pay forfeitures between \$60-\$100 per month. In the absence of elimination of the fee, NCOA strongly supports this initiative in S.1997.

The exception NCOA seeks for career servicemembers is in reality a matter of equity. Career servicemembers, many veterans of multiple combat tours in Vietnam, who were eligible for training under Chapter 34 remained on active duty with full intention of meeting the length of service requirements for eligibility to participate in the MGIB. These individuals now find themselves forced to leave service before July 1, 1988 because of military high tenure personnel policies. While officers may serve until age 62, enlisted members are forced to retire or are denied reenlistment on the basis of rank and years of service. None may serve more than 30 years. These careerists are now faced with the prospect of having nineteen months in which to relocate their families, settle in a new community and complete their education. An impossible task. NCOA urges the committee to consider special provisions to allow eligibility for Chapter 30 benefits to this special group.

The association is supporting open enrollment to VEAP eligible also as a matter of equity. Prior to amendment by the Senate the original Chapter 30 legislation approved by this committee envisioned an automatic conversion of VEAP eligibles to the Chapter 30 program upon reenlistment. Unfortunately, these dedicated servicemembers were excluded from the approved legislation and are trapped in a vacuum between the more generous Chapter 30 and Chapter 34 programs. As many will recall the armed forces suffered a major manpower crisis in the late 1970s and early 1980s which in part prompted enactment of the Chapter 30 program. NCOA believes these servicemembers who carried us through this manpower crisis are most deserving of the same kind of education benefits offered their predecessors, successors and indeed, their contemporaries. NCOA encourages the committee to include legislation authorizing enrollment of VEAP eligibles in Chapter 30 on the basis of such additional service or pay forfeiture requirements as the committee may deem

appropriate.

Open enrollment upon reenlistment will both encourage people to remain in service and allow participation in the MGIB by those who were unable to participate upon initial entry into service. At its inception, the MGIB was slated as a three year test program. Accordingly, open enrollment at reenlistment was not included in anticipation of program termination. Now, since the bill is a permanent program of education, it makes sense to add this additional feature.

S.1997

As stated above NCOA believes participation fees discriminates against the economically disadvantaged. However, NCOA does support the initiative contained in Section 1 of this bill since it will mitigate the hardship placed on many servicemembers.

Section 2 of this bill further provides for a death gratuity to survivors of servicemembers who die on active duty from service connected causes. NCOA believes that this initiative, though well intended, falls short of the mark in resolving the issue of refunding payments made for a program the servicemember is denied an opportunity to use. The gratuity should be paid to survivors in any instance in which the member is prohibited from using the program due to premature death. The survivors of a veteran who dies in a college dormitory fire during his first week on campus or the survivors of a veterans who dies in a VA hospital from a service connected condition before attending school are both as entitled to the gratuity refund as the active duty servicemember's survivor. NCOA urges the committee to include these survivors under the death gratuity provisions of S.1997.

S.820

NCOA is pleased to add its support for S.820 to authorize benefits for flight training under the provisions of Chapter 30 and 106. We believe that the language of the legislation has been crafted in a manner to mitigate the possibilities of training for avocational purposes, while insuring that

training assistance in the aviation professions is available to veterans.

S.2383

NCOA has strong reservations concerning the merits of Section 2 of S.2383. Extending the benefits of Chapter 34 entitlements to certain 1977 and 1978 service academy graduates and 1978 graduates of the Senior Reserve Officers Training Corps (SROTC). This section would provide benefits to only those class members who were participants in the VEAP program while providing nothing to their classmates who declined participation due to financial or other reasons. While NCOA is sympathetic to the intention of this provision the situation appears to be little different than the plight of the servicemember who was serving on active duty and enrolled in the VEAP program on June 1, 1985 who was not permitted to convert to the more advantageous Montgomery G.I. Bill. Both groups are constrained by legislative cut-off dates. To single out the academy or SROTC student for special consideration without providing relief for other similar groups is an unacceptable solution to NCOA.

Section 3 of S.2383 provides for non-punitive withdrawal from courses without the creation of an overpayment. As VA studies have shown, 61 percent of Chapter 34 overpayments and nearly 75 percent of Chapter 30 overpayments have been the result of non-punitive grade course withdrawals. This limited exception of allowing 6 hours of academic experimentation is fully supported by NCOA.

Section 4 provides for the first increase in tutorial allowance rates since 1984 and extends the benefits of tutorial assistance to veterans training under Chapters 30 and 32 under the same conditions as Chapter 34 students. NCOA recommends the adoption of this provision.

S.2307

S.2307 proposes several needed improvements in veterans' education programs all of which are fully supported by NCOA. Title 1 provides authorization for cooperative training under Chapter 32 (VEAP) and the MGIB

with benefits paid and entitlement charged at 80 percent of the full rate, thus making available this proven successful training mode to recently separated veterans. This title also provides for refunds of pay forfeitures for Chapter 30 participants released from active duty due to pre-existing, non-service connected medical conditions. It allows the Secretary of Defense to accept alternate forms of secondary school completion to qualify for Chapter 30 participation; authorizes vocational rehabilitation training in state and local government non-pay positions and brings VEAP payments to incarcerated veterans in line with other educational benefit payments. Title 2 standardizes remedial and refresher training payment regulations between Chapters 30, 32, 35 and 106; simplifies course measurement for non-degree programs; establishes Chapter 30 entitlement concurrent with entry into active duty vice after first reduction in pay; adds the Assistant Secretary of Defense (FM&P) as an ex officio member of the Commission to Assess Veterans' Education Policy and extends the VA Education Advisory Committee until December 31, 1993. The bill makes additional improvements and NCOA is pleased to support S.2307 in toto.

In conclusion, NCOA would like to extend its deep appreciation to this committee for its dedication and concern for those who have served this nation.

-end-

**STATEMENT ON
EDUCATION PROGRAMS FOR
VETERANS AND SERVICEMEMBERS**

S.1997, S.820, S.2307, S.2383

**BEFORE THE
COMMITTEE ON VETERANS AFFAIRS**

**UNITED STATES SENATE
25 MAY 1988**

**BY
ROBERT W. NOLAN
NATIONAL EXECUTIVE SECRETARY
FLEET RESERVE ASSOCIATION**

Not to be released until made public by
the Senate Committee on Veterans Affairs



FLEET RESERVE ASSOCIATION
Serving Career Enlisted Personnel of the
U.S. NAVY • U.S. MARINE CORPS • U.S. COAST GUARD
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(202) 785-2768

INTRODUCTION

Mr. Chairman and members of this distinguished Committee, I am Robert W. Nolan, National Executive Secretary of the Fleet Reserve Association. The FRA is a military service organization comprised of almost 150,000 enlisted personnel, active duty and retired, of the United States Navy, Marine Corps and Coast Guard. As a retired Navy Chief Petty Officer, it is my privilege to speak not only for my Shipmates but for all enlisted Sea Services personnel on the vital subject of education programs for veterans and servicemembers.

Mr. Chairman, the Fleet Reserve Association commends the U.S. Congress and particularly this Committee for its initiative and wisdom in approving a national peacetime G.I. Bill. That has long been a goal of the FRA. I personally remember laboring with U.S. Senator Ralph W. Yarborough of Texas twenty-three years ago to gain the enactment of S.9, "the Cold War G.I. Bill." Last year, the U.S. Congress enacted the Montgomery G.I. Bill. Today, we are considering improvements to the law to assure that all veterans and servicemembers have the opportunity to enhance their formal education in exchange for the precious gift of uniformed service to our nation.

PRESENTATION

The success of the Peacetime G.I. Bill is clearly evident to all. The enlistment of high quality personnel and their retention in sufficient numbers to assure the continuation of the All Volunteer Force is possible only because of the Peacetime G.I. Bill. A knowledgeable spokesman for the Navy Recruiting Command

recently stated, "It would be a real detriment to Navy recruiting not to have the Peacetime G.I. Bill as a recruiting tool."

BASIC-PAY REDUCTION PROVISION OF S.1997:

As you can appreciate the FRA keeps "its finger on the pulse of the active duty personnel" to learn their perceptions of personnel legislative matters. We have just finished hosting full-day seminars of the Sea Services enlisted leadership in Norfolk, Virginia, Jacksonville and Pensacola, Florida and San Diego, California. We personally invited the Command Master Chief Petty Officers, Marine Command Sergeants Major and Coast Guard Senior Enlisted Advisors, Command Career Counselors and Navy Ombudsmen to attend the seminars and discuss the issues. They told of their pleasure of having the Montgomery G.I. Bill replace the Veterans Education Assistance Program (VEAP). We asked them what are the primary reasons that those who did not enroll in the Peacetime G.I. Bill, chose not to do so. Almost without qualification they replied, "Those personnel do not feel they can afford to contribute the required \$100 a month for twelve months."

Everyone agreed that they sincerely believed that if a smaller monthly contribution over a longer period of time is enacted it would enhance enlisted participation appreciably. FRA has analyzed this and we recommend the most equitable and practical way to administer a reduction in the monthly contribution would be to reduce it to \$60 a month for a period of twenty months. Therefore, we recommend this reduction as provided for in S.1997.

THE PAYMENT TO SURVIVORS PROVISION

The FRA fully supports this provision of S.1997. The provisions clear equity needs no justification. We wonder if, in its wisdom the Committee has considered the lot of a person eligible for this law's benefits who becomes disabled to the extent that they are unable to avail themselves of the law's benefits? Is not the refund of the disabled veterans contributions under such conditions fully justified?

S.820'S PROVISIONS TO PROVIDE FLIGHT TRAINING

The provisions of S.820 to allow individuals to use their benefits to pursue flight training contain requirements to protect the program's future integrity from abuse. The Fleet Reserve Association fully supports the passage of S.820.

THE TUTORIAL ASSISTANCE PROVISION OF S.2383

The Fleet Reserve Association supports the increased tutorial assistance allowance provision of S.2383 to increase the maximum monthly allowance from \$84 to \$100 per month.

ASSURING EQUITY FOR SERVICEMEMBERS IN THE**MERGING OF VETERANS' EDUCATION PROGRAMS**

The Fleet Reserve Association strongly recommends the addition of two provisions to the pending legislation being considered today that will safeguard certain careerists benefits. Please recognize that in the attempt to achieve success for the All Volunteer Force, the enlisted military careerist has been the helpless victim of VEAP, various bonus programs and vacillating compensation policies. Based upon this experience the enlisted military careerists perceives he is the victim of an inequity in

obtaining certain educational benefits. Very possibly this is true of Sea Service personnel more than the personnel of the other two Services. Serving a majority of your career at sea is not conducive to pursuing a higher education.

A very large percentage of active duty personnel recognized the Veterans Education Assistance Program (VEAP) for exactly what it was: a very poor dime store imitation of the Cold War G.I. Bill! Therefore, they did not elect to participate in that sham of an education program. Because of this, they were not included in the temporary enrollment period provided in the Montgomery G.I. Bill. The Fleet Reserve Association contends that any such person serving on active duty most certainly receive the same opportunity as their colleagues who solely by the fortune of their enlistment date are eligible for the Montgomery G.I. Bill.

Our second recommendation would be to resolve the inequity of those persons now serving on active duty who are entitled to the benefits of the Cold War G.I. Bill but will forfeit or shorten this entitlement because they have remained on active duty beyond a time that would allow their schooling to be completed before December 31, 1989 when the Cold War G.I. Bill benefits terminate.

These two improvements to our veterans education assistance programs would correct these inequities and enhance the programs by proclaiming to all young Americans now serving or considering serving in our Armed Forces, that service in the uniform of our country and the opportunity to achieve a higher formal education are synonymous and go hand-in-hand.

CONCLUSION

Mr. Chairman the Fleet Reserve Association is proud of its advocacy role in veterans education assistance programs over the years. But we are more proud of this Committee and its accomplishments because you are not content to rest on your laurels of past accomplishments. But instead, continue to pursue a path of improvements in veterans' education assistance program to assure that they become an integral part of the fabric of the American society making that society doubly strong.

We thank you for the opportunity to present our views for your serious consideration. The fact that we were invited to do so is evidence of this Committee's sincere desire to preserve our representative form of government. We recognize this and that is why we voluntarily devote a major portion of our adult lives to perpetuate our republic.

On behalf of my FRA Shipmates and Sea Services personnel everywhere, I thank you. I stand ready to answer your questions to the best of my ability.



ASSOCIATION OF THE UNITED STATES ARMY

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STATEMENT OF
COLONEL EDWARD P. SMITH, USA RET.
DIRECTOR, MEMBERSHIP SERVICES
ASSOCIATION OF THE UNITED STATES ARMY
BEFORE THE
SENATE COMMITTEE ON VETERANS' AFFAIRS
25 May 1988



Mr. Chairman, Members of the Committee. I am Colonel Edward P. Smith, United States Army Retired, Director of Membership Services, of the Association of the United States Army. Thank you for the privilege of presenting the views of our 160,000 members to your Committee.

Educational programs for veterans and service members provide opportunity for eligible American men and women to serve their country and better prepare themselves for the future. We appreciate the interest and concern of this Committee in ensuring that these educational programs are provided and that they are equitable to all who are entitled to their benefits.

Mr. Chairman, in your letter inviting today's appearance, you asked AUSA to comment on four bills. I will discuss each briefly in turn.

S. 1997 provides the Department of Defense with discretionary authority to decrease the monthly contribution made by the service member to \$60 a month for a period of up to 20 months, and to provide a payment to survivors of participating Active Duty service members who die in the line of duty before full use has been made of their educational opportunity.

We concur in both provisions and urge their implementation soonest. While we applaud the Army's 89.5% participation rate under the \$100 per month/12 month schedule, we believe the alternative proposed in this Bill will bring in additional members who are excluded because of the present payment schedule.

AUSA fully supports compensation, for earned but unused benefit payments, to survivors of Active Duty participants who die while serving their country.

In addition we recommend that the same consideration be given to survivors of Reserve Component personnel who paid \$1200 as an Active Duty soldier, left the service upon completion of enlistment, joined the Selective Reserve and subsequently died as the result of injury while in Inactive Duty Training status.

S. 820, we are pleased to note, provides safeguards that ensure that federal funds will be used only to support flight training for veterans preparing for a career in the vocational field of aviation. As a result we concur in providing educational assistance equal to 75% of the established charges for tuition and fees at eligible flight training schools, for those veterans who wish to enhance their skills and knowledge and prepare for a career in civilian aviation.

Regarding S. 2383, for reasons of equity, AUSA supports each of the three proposed benefits amendments. Chapter 34 eligibility for certain 1977 and 1978 service academy and 1978 Senior ROTC graduates, who participate in the Chapter 32 program, is appropriate. Likewise, by withdrawing the penalty aspect related to the first instance of course withdrawal, would, we believe, be supportive of the educational learning process and place the veteran on an equal footing with nonveteran student peers. And, we also support allowing veterans studying under the provisions of Chapters 30 (Montgomery GI Bill) and 32 (post-Vietnam-era Veterans' Educational Assistance Program) of Title 38 to be permitted to use tutorial assistance as currently available to veterans under Chapter 34 (Vietnam Era GI Bill) and to spouses and children under the Chapter 35 program.

Finally, S. 2307 -- incorporating a dozen or more amendments to several educational and vocational rehabilitation programs -- in general is supported, with one exception.

AUSA believes that Sec. 103, Repayment of Certain Individuals' Basic Pay Reduction under the Montgomery GI Bill, is unfair. We appreciate that the Administrator of Veterans Affairs has proposed the return of the basic pay reduction to those who are given an early discharge or a release from service for a pre-existing medical condition. On the surface this would seem to be correcting an inequity. On close examination, however, it is not.

Instead of disenrolling those who find themselves in this category, AUSA recommends that the Bill be amended to guarantee that educational assistance benefits are provided for these service members. Those who fall into this category and who would so benefit include the individual who volunteered to serve the country, was examined fully before enlistment by Government doctors, was enrolled in the Montgomery GI Bill educational benefits program, and then subsequently, by no fault of the service member, discharged for a pre-existing medical condition or disability. Because the Government had ample opportunity to discover the disability or pre-existing condition that prevented the volunteer from serving after initially inducted, there is no reason to disappoint the service member further by disenrolling the individual from the educational benefits he hoped to earn and for which he was told he was fully qualified.

Similarly we feel that benefits should be provided, rather than contributions kept or returned, for service members in three other early-release categories:

- Those separated for the convenience of the Government, in a reduction-in-force, at no fault of their own.

- Those released early to attend ROTC.

- Those who are sole-surviving sons or daughters and, as such, become the last of the line of a given family.

Rather than correcting the present inequity by returning the contribution as S. 2307 proposes, now is the time to take action to ensure entitlements for those mentioned above who presently are denied the opportunity through no fault of their own.

Thank you.



NATIONAL ASSOCIATION FOR UNIFORMED SERVICES

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"The Servicemember's Voice in Government"
 Established 1968

Statement of
 COL Charles C. Partridge (USA, Ret)
 Legislative Counsel
 The National Association for Uniformed Services
 Before the
 Committee on Veterans' Affairs
 United States Senate
 May 25, 1988

Mr. Chairman and members of the Committee, I welcome the opportunity to present the views of the National Association for Uniformed Services to this distinguished panel.

The National Association for Uniformed Services (NAUS) is unique in that we represent all grades and ranks of uniformed services personnel and their spouses and widow(er)s. Our membership includes active, retired, and reserve personnel of all seven uniformed services: Army, Navy, Air Force, Marines, Coast Guard, Public Health Service, and the National Oceanic and Atmospheric Administration. With such membership, we are able to draw information from a broad base for our legislative activities.

S.1997 would authorize stretching out the \$1,200 basic-pay reduction of Montgomery GI Bill participants. It would allow for the Secretary of Defense to lower the basic pay reduction from \$100 per month for 12 months to \$60 per month for 20 months. It would also authorize payment to survivors of an amount equal to the service member's contribution, in the event of death on active duty. NAUS supports these provisions and recommends that the payment authorization be expanded to apply to those who die of a service-connected illness after release from active duty.

S.820 would provide Montgomery GI Bill benefits for vocational flight training. The bill authorizes educational assistance at 75 percent of established tuition rates and fees at eligible flight training schools. The bill also requires that the veteran possess a private pilot's license and meet the medical requirements for certification as a commercial pilot. Other restrictions regarding the veteran and the flight training program seem adequate to prevent a veteran from pursuing flight training for recreational purposes, and to ensure delivery of quality flight instruction. This is a desirable addition to the GI Bill, can help alleviate our nation's pilot shortage, and has our full support.

S.2383 would authorize a one-time course withdrawal option without penalty, provide for tutorial assistance, and provide benefit eligibility for certain service academy and senior ROTC graduates. NAUS supports these provisions. The one-time course withdrawal option without penalty is a vital addition to the Montgomery GI Bill. It will benefit the best students -- those looking for tough, challenging courses -- and allow them to risk enrolling in such courses without the added fear of monetary penalty in the event the course proves too difficult academically. Improper course selection, especially for entering freshmen, is often a failure of the college or university faculty or counseling system, rather than that of the student. The tutorial assistance allowance will offer encouragement to students to select academic fields of study which require a number of difficult courses and carry a greater risk of failure than

courses in less demanding fields of study. Thus, the one-time withdrawal option and the tutorial assistance feature would not only help the individual veteran, but may provide the nation with more highly qualified graduates in the more difficult disciplines.

S.2307, the Veterans' Educational Assistance Act of 1988, would amend the Veterans' Administration educational and vocational rehabilitation programs to provide for payment of GI Bill benefits for cooperative training, restore to certain service members pay withheld under the provisions of the Montgomery GI Bill, and make other changes. This bill would make cooperative training available to veterans after their release from active duty, a benefit which was available under previous GI Bills, and has been a successful means of qualifying veterans for work in their chosen vocational objectives. NAUS supports this change. Another provision would repay the entire amount of the military pay reduction for service members who receive an early discharge or release from service for a pre-existing, non-service-connected medical condition. The change would resolve an inequity in the original legislation and NAUS supports this remedy. We also support the other changes in S.2307 which enhance flexibility and improve controls and administration of the educational assistance programs.

These changes to the Montgomery GI Bill, already the most significant piece of legislation this decade affecting the quality of our Armed

Forces will make it an even more equitable and effective means of aiding the transition of veterans to civilian life, while providing the nation with another source of productive, educated citizens.

NAUS appreciates the opportunity to present its views on this subject, and the interest displayed by this Committee on this subject of importance to our members.



Statement of
The American Legion

1608 K STREET, N. W.
WASHINGTON, D. C. 20006

by

SAMUEL J. WALSH, ASSISTANT DIRECTOR
NATIONAL LEGISLATIVE COMMISSION
THE AMERICAN LEGION

and

PHILIP R. WILKERSON, ASSISTANT DIRECTOR
NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION
THE AMERICAN LEGION

before the

COMMITTEE ON VETERANS AFFAIRS
UNITED STATES SENATE

on

EDUCATION PROGRAMS

MAY 25, 1988

STATEMENT OF PHILIP R. WILKERSON, ASSISTANT DIRECTOR
NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION
THE AMERICAN LEGION
BEFORE THE COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE
MAY 25, 1988

Mr. Chairman and Members of the Committee:

The American Legion appreciates the opportunity to present its views on the following bills to improve the program of educational assistance provided for active duty and members of the Selected Reserves under Chapters 30 and 32 of title 38, United States Code. In addition, we also wish to offer comment upon two related issues which are of particular concern to this organization.

S. 820 would authorize approval of flight training for individuals entitled to educational assistance under Chapter 30 of title 38, United States Code, the All-Volunteer Force Educational Assistance Program and Chapter 32, the Post-Vietnam Era Veterans' Educational Assistance Program. Such training would be approved if: (A) offered by an institution of higher learning for credit toward a standard college or university degree; (B) generally accepted as necessary for the attainment of a recognized vocational objective in the field of aviation; or (C) generally recognized as ancillary to the pursuit of a vocational endeavor other than aviation; and the individual possesses a valid private pilot's license, meets the medical requirements necessary for a commercial pilot's license, and the flight school meets the FAA's standard and is approved by the State approving agency. The educational assistance allowance payable to an individual pursuing a program of flight training shall be at the rate of 75 per centum of the established charges for nonveterans in the same flight course.

The American Legion is supportive of this proposal to make available flight training for Montgomery GI Bill participants. It is designed to assist veterans who have completed basic flight training, either through private or military sources, and are interested in pursuing a legitimate vocational goal in the field of aviation.

S. 1997 would allow active duty members of the Armed Forces participating in the Montgomery GI Bill program of educational assistance the option of stretching out the required deduction from their basic pay over a period of up to twenty months rather than the current twelve month period. A similar provision would apply to participants who are members of the Selected Reserves. This measure would also provide for a payment to certain survivors of active duty and Selected Reserves participants in the Montgomery GI Bill in the event of service-connected death while serving on active duty. The amount payable to such survivors would be equal to the participant's contribution under the program. These amendments shall be effective as of July 1, 1985.

The American Legion has continued to support Congressional efforts to improve the morale, welfare, pay, and benefits of the men and women of the Armed Forces. In support of education incentives for active duty and reservists, the delegates to The American Legion's 1986 National Convention adopted Resolution No. 292. (copy attached)

The Montgomery GI Bill, as amended, has proven to be a valuable recruitment tool. We believe the provision of S. 1997 extending the period of time from twelve months up to twenty months within which an individual may make the required \$1,200 contribution will serve to increase the number of personnel taking advantage of this program. The deduction from their pay each month will be smaller and therefore less of a financial burden.

Under current law, there is no provision to refund the amount deducted from the basic pay of an individual under the Montgomery GI Bill who dies while on active duty. The American Legion at the 1987 National Convention adopted Resolution No. 2 which would authorize the refund of the contribution made under this program when death occurs on active duty. (copy attached)

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Mr. Chairman, we are pleased that you have introduced this legislation, and we voice wholehearted support for it.

S. 2307 proposes a number of amendments of title 10 and 38, United States Code, affecting the programs of educational assistance to veterans and other eligibles, under the Montgomery GI Bill and the Post-Vietnam Era Veterans Educational Assistance Program.

Section 101 would authorize cooperative training for individuals entitled to educational assistance under Chapter 30 and 32 of title 38 United States Code. Monthly educational assistance benefits shall be 80% of the monthly benefit otherwise payable and the individual's period of entitlement shall be charged at the rate of 80% of a month.

The American Legion supports this proposal to expand these educational assistance programs to include cooperative training.

Section 102 would authorize the Secretaries of the Armed Services to establish criteria for alternate school credentials for the purpose of entitlement to educational assistance under the Montgomery GI Bill.

We would not be opposed to this provision.

Section 103 provides for the lump-sum refund of contributions made by a participant under the Montgomery GI Bill following release from active duty or the Selected Reserves for a medical condition which preexisted service and is determined to be not service-connected.

Current law, contains no provision for the refund of contributions made under this program. The 1987 National Convention of The American Legion adopted Resolution No. 267 calling for legislation to remedy this inequity. Section 103 of S. 2307, however, limits a refund to those specific individuals who are discharged for a preexisting medical condition determined by the Veterans Administration to be not service-connected. We

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believe that under these circumstances such veterans clearly deserve a refund. Moreover, there may be other veterans who for good and proper reasons are forced to leave active duty, or who are otherwise unable to continue their participation in the program. These other veterans, in our view, entered into the program in good faith and also deserve to receive a refund of the contributions made to the program from their basic pay. We urge your favorable consideration of this change.

Section 104 would authorize members of the Selected Reserves who are discharged or released from such service for a service-connected disability, hardship, or for the convenience of the Government after three and one half years of such service to elect educational assistance based upon an initial qualifying period of active duty.

We would offer no objection to this proposal.

Section 105 would authorize the use of any State or local agency which is supported in whole or in part by Federal funds in providing vocational rehabilitation training or work experience at no or nominal pay to disabled veterans under Chapter 31 of title 38, United States Code. The Administrator shall prescribe regulations to monitor and prevent possible abuse of disabled veteran trainees and to ensure the training or work experience provided is in the best interest of the veteran and the Federal Government.

The American Legion has no objection to this amendment.

Section 106 would limit the educational assistance allowance paid under the Post-Vietnam Era Veterans' Educational Assistance Program to incarcerated veterans to the cost of tuition and fees required of similarly circumstanced nonveterans enrolled in the same program and the cost of necessary supplies, books, and equipment.

Mr. Chairman, while we realize that incarcerated veterans receive subsistence from the Federal, State, county, or local government while in prison or jail, the proposed

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restriction on the payment of the educational assistance allowance to such veterans is contrary to the concept of "equal benefits for equivalent entitling service." Rather than deny these veterans the amount of educational assistance over and above the cost of their program of education to which they would otherwise be entitled, we would ask that consideration be given toward establishing an escrow fund into which any additional educational assistance benefits could be paid. Upon release from incarceration, these benefits would be made available to assist in the veteran's readjustment and return to the community.

Section 201 provides for clock-hour measurement of certain courses creditable toward a standard college degree.

We would offer no objection to this provision.

Section 202 would extend authorization for the Veterans' Advisory Committee from December 31, 1989 to December 31, 1993.

We support this extension, in view of the important function of this Committee.

Section 203 would permit participants under the Montgomery GI Bill, the Post-Vietnam Era Veterans' Educational Assistance Program, and the Survivors' and Dependents' Educational Assistance Program to enroll in remedial or refresher courses where such course or courses are required for, or preparatory to, the pursuit of an approved program of education.

The American Legion is not opposed to this amendment.

Section 204 would provide for the payment of the educational assistance allowance for pursuit of an educational program on a less than half-time basis in a lump-sum amount for such period of time.

We would offer no objection to this proposal.

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Section 205 would include the Assistant Secretary of Defense for Force Management and Personnel on the Commission on Veterans' Education Policy, as authorized under Public Law 99-576.

We would offer no objection to this measure.

S. 2383 would permit, in section 3, the withdrawal from a course or courses not totalling more than six semester hours without repayment of educational assistance benefits received for such course or courses.

The American Legion would offer no objection to this proposal.

Section 4 would authorize tutorial assistance to individuals entitled to educational assistance under the Montgomery GI Bill and the Post-Vietnam Era Veterans' Educational Assistance Program. It would also increase the rates of supplementary educational assistance for such tutorial assistance to \$100 per month and a maximum of \$1,200.

We would not be opposed to this amendment.

Mr. Chairman, there are two additional issues which we wish to bring to the attention of this Committee for consideration at this time.

One concerns a problem under current law wherein veterans enrolled in non-college degree courses in those accredited institutions which offer both non-college degree (NCD) and institute of higher learning (IHL) types of courses are subject to more stringent rules in areas such as course load measurement and attendance monitoring. The American Legion believes that an inequity now exists in the application of regulations between these two types of programs in view of the many changes which have occurred in the field of technical and vocational education since the enactment of the World War II and Korean Conflict GI Bills. Vocational courses have in recent years become increasingly academically oriented. Thus, it is now possible to have two veterans attending the same class or several classes, but each receives different credits toward

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their individual educational program. Likewise, attendance of one individual may be strictly monitored or it may not, depending on the type of program the veteran is enrolled in. We would hope this Committee would take this matter under consideration and provide a remedy to this inequity.

The American Legion wishes to take this opportunity to express our support for S. 2328 introduced on April 25, 1988 by Senator Specter. This legislation would extend the time limitation for eligibility and entitlement to educational assistance and training and rehabilitation services for any period during which the applicant suffers from alcoholism. This provision would apply to programs of educational assistance under Chapters 30, 32, 34 and 35, as well as training and rehabilitation services under Chapter 31, of title 38, United States Code.

The 1987 National Convention of The American Legion adopted Resolution No. 202 calling for the Veterans Administration to recognize alcoholism as a disease for the purposes of determining entitlement to service-connected and nonservice-connected benefits administered by the Veterans Administration. If the Veterans Administration declined to take affirmative action and change the applicable regulations administratively, then The American Legion would seek legislation to correct what we perceive to be an inequity. The decision on April 20, 1988 by the Supreme Court in the litigation of Traynor and McKelvey v. Turnage affirmed the current restriction on Veterans Administration benefits related to alcoholism. Legislation would, therefore, be necessary to remove this restriction. S. 2328, as it applies to educational assistance and vocational rehabilitation training, would satisfy in part the intent of Resolution No. 202 and we wish to express our support for this measure.

Mr. Chairman, that concludes our statement.

69TH ANNUAL NATIONAL CONVENTION
OF THE AMERICAN LEGION
SAN ANTONIO, TEXAS
AUGUST 25, 26, 27, 1987

RESOLUTION NO: 2

SUBJECT: SPONSOR AND SUPPORT LEGISLATION TO
AMEND 38 USC, SECTION 1401, SO AS
TO REINSTITUTE THE "DEATH OF
PARTICIPANT" PROVISION

COMMITTEE: NATIONAL SECURITY

WHEREAS, The Post Vietnam Era Veterans's Educational Assistance Act, Title 38, United States Code, Chapter 30 (38 USC S1601 et. seq.) which was enacted during 1976 and remained in effect until July 1, 1985 contained a provision for refunding of GI Bill contributions in the event of the death of a service member (38 USC S1624 entitled "Death of Participant," as amended on October 17, 1980); and

WHEREAS, "The Veterans' Educational Assistance Act of 1984" Title 38 USC Chapter 30 (38 USC S1401 et. seq.) effective July 1, 1985 which has been extended through July 31, 1987 contains no similar "Death of Participant" provision; and

WHEREAS, Those who committed themselves to the service members' Delayed Entry/Enlistment Program prior to the effective date of the new program did so with the "Death of Participant" provision in effect; and

WHEREAS, The death of a service member could cause a real financial burden on the survivor(s) of said service member; and

WHEREAS, Any civilian employer who would deny such a benefit to the survivor(s) of their employees would be subject to legal action; and

WHEREAS, Provisions are made in the current law to provide service members discharged for disability or hardship as well as those discharged for the convenience of the government with educational benefits, no logic or sense of justice supports the view that servicemen or women killed in the line of duty should forfeit their cash contributions toward their future education as is now the case; now, therefore, be it

SIXTY-EIGHTH ANNUAL NATIONAL CONVENTION
OF
THE AMERICAN LEGION
SEPTEMBER 2,3,4, 1986
CINCINNATI, OHIO

RESOLUTION NO.: 292

SUBJECT: EDUCATIONAL INCENTIVES FOR ACTIVE AND RESERVE FORCES

WHEREAS, The Administration seeks repeal of the new G.I. Bill in its Fiscal 1987 Budget Request and a revival of the Veterans Education Assistance Program (VEAP); and

WHEREAS, All military services have stated that the Veterans Education Assistance Program (VEAP) was not effective as a recruiting and retention tool in which an average participation by military personnel was only 6 percent compared to 38 percent participation in the new G.I. Bill and the new Bill has resulted in solid gains in recruiting as reported by the Army; and

WHEREAS, The American Legion believes that educational incentives play an important part in the recruitment and retention of personnel, and any attempt to restrict or delete such incentives as a cost-saving measure would adversely affect the military service ability to meet their accession and retention goals; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Cincinnati, Ohio, September 2,3,4, 1986, that we urge Congress to continue funding the new G.I. Bill which has proven to be a significant incentive in the recruiting and retention of personnel, for the military service both in the active duty and reserve components.

RESOLVED, By The American Legion in National Convention assembled in San Antonio, Texas, August 25, 26, 27, 1987, that The American Legion sponsor and support an amendment to the Veterans' Administration Educational Assistance Act of 1984 (effective July 1, 1985) which would restore the "Death of Participant" provision to provide for the refunding of GI Bill contributions to the survivor(s) in the event of a service member's death.

69TH ANNUAL NATIONAL CONVENTION
OF THE AMERICAN LEGION
SAN ANTONIO, TEXAS
AUGUST 25, 26, 27, 1987

RESOLUTION NO: 267
SUBJECT: SEEKS REFUNDS OF PARTICIPANTS
CONTRIBUTION, IF UNUSED, UNDER THE
NEW G.I. BILL
COMMITTEE: NATIONAL SECURITY

WHEREAS, There is no provision in the new G.I. Bill for a refund of the amounts a serviceman has contributed in conjunction with this program regardless if he does not or cannot use these benefits; and

WHEREAS, The Government has no right to these contributory amounts since they are in fact the veteran's, having been deducted from his base pay while he was in the military; and

WHEREAS, The present law with its no refund provision seems to unfairly penalize a serviceman for simply changing his mind at a later date; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in San Antonio, August 25, 26, 27, 1987, that we seek legislative action to correct this inequity of the No Refunds Policy for Contributory Amounts under the new G.I. Bill.

69TH ANNUAL NATIONAL CONVENTION
- OF THE AMERICAN LEGION
SAN ANTONIO, TEXAS
AUGUST 25, 26, 27, 1987

RESOLUTION NO: 202

SUBJECT: URGE THE ADMINISTRATOR OF VETERANS
AFFAIRS TO AMEND 38 CFR 3.301(c)(2)
THEREBY RECOGNIZING ALCOHOLISM AS A
DISEASE

COMMITTEE: VETERANS AFFAIRS AND REHABILITATION

WHEREAS, Every Federal agency except the Veterans Administration considers alcoholism to be a pathological disease; and

WHEREAS, The regulations set forth under 38 CFR 3.301(c)(2) describe alcoholism as willful misconduct which precludes entitlement to most benefits administered by the Veterans Administration; and

WHEREAS, "willful misconduct" is described in the definitions under 38 CFR 3.1(n) as an act involving conscious wrongdoing or known prohibited action (malum in se or malum prohibitum); and

WHEREAS, The "willful misconduct" regulations were promulgated by the Veterans Administration in the absence of a Congressional mandate; and

WHEREAS, These regulations are in direct violation of section 504 of 29 USC 794, the "Rehabilitation Act", which proscribes discrimination in Federal programs and grants; and

WHEREAS, Alcoholism is recognized as a disease that is innocently acquired through the legal and socially acceptable practice of consuming alcoholic beverages; and

WHEREAS, Many veterans and their families are being discriminated against because of the archaic restrictions contained in the "willful misconduct" regulations; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in San Antonio, Texas, August 25, 26, 27, 1987, that The American Legion strongly urges the Administrator of Veterans Affairs to amend 38 CFR 3.301(c) so as to remove the stigma that has been

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attached to the disease of alcoholism by eliminating subsection (2) which sets forth specific applications of the terms "in line of duty" and "willful misconduct" with respect to alcoholism for the purpose of determining entitlement to service-connected and nonservice-connected benefits administered by the Veterans Administration; and, be it further

RESOLVED, That if the Administrator declines to take action to correct the inequity of rating alcoholism as a misconduct condition rather than as a pathological disease, The American Legion shall sponsor and support legislation to correct aforesaid inequity by statute.

VETERANS OF FOREIGN WARS OF THE UNITED STATES



OFFICE OF THE DIRECTOR

STATEMENT OF

DENNIS M. CULLINAN, ASSISTANT DIRECTOR
NATIONAL LEGISLATIVE SERVICE
VETERANS OF FOREIGN WARS OF THE UNITED STATES

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE

WITH RESPECT TO

VETERANS' EDUCATIONAL PROGRAMS

WASHINGTON, D.C.

MAY 25, 1988

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

On behalf of the entire membership of the Veterans of Foreign Wars of the United States, I wish to thank you for affording us this opportunity to present our views on legislation affecting the educational programs for veterans and service members. The VFW is highly gratified for being included in this forum which is intended to refine and improve this nation's highly successful veterans' educational programs.

It is quite evident that veterans' educational programs have been tremendously beneficial to both veterans and the nation. Over eight million veterans and service persons have received their education or training through veterans' educational programs. These individuals have not only gone on to lead better and more productive lives but due to their higher earnings have increased the nation's productivity and tax base. As a whole, veterans have made a very substantial contribution to this nation's wealth and resources.

★ WASHINGTON OFFICE ★

VFW MEMORIAL BUILDING ● 200 MARYLAND AVENUE, N.E. ● WASHINGTON, D. C. 20002 - 5799 ● AREA CODE 202-543-2239

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They have certainly earned their educational benefits. However, it must also be said that the nation has received a manyfold return on the dollars it has invested in veterans' educational programs.

In recognition of the tremendous importance of VA educational programs for veterans and the nation, the VFW has initiated a protocol which is now being circulated in the field which addresses the administration and effectiveness of these educational programs. This protocol is being distributed throughout our network of Field Representatives and Service Officers and we expect to see the results in the not too distant future. Once this survey is complete, the VFW will gladly share the results with this Committee in order to help improve and refine these tremendously successful veterans' programs.

The first bill we will take up today is S. 820--legislation introduced by Senator Daschle which would amend Title 10 and 38, United States Code, to provide veterans' educational assistance benefits for flight training. This bill would authorize the pursuit of flight training for active duty service members and reservists participating in the Montgomery GI Bill. The VFW approvingly notes the fact that the bill is designed to discourage the use of flight training for avocational purposes and requires that flight training schools' curricula be approved by state approving agencies and that the training must be judged to be necessary for the attainment of a recognizable vocational objective. The VFW also agrees that this legislation appropriately allows veterans to expand their military flight training into a civilian vocation thereby meeting a particular need in society while reducing veterans' unemployment. The VFW supports the enactment into law of S. 820.

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The next bill under consideration is S. 1997, introduced by Senate Veterans' Affairs Committee Chairman Cranston and Senators Matsunaga, DeConcini, Mitchell, Rockefeller, Graham, Kennedy, and Cohen, is legislation to amend Title 38 to authorize stretching out the \$1,200 basic pay reduction of Montgomery GI Bill participants and provide for a payment to the survivors of certain participants who died while on active duty. Section 1 of this bill would provide the Defense Department with a discretionary authority to set up a system in which the basic pay reduction could be reduced to as low as \$60 per month and correspondingly extend the reduction period up to as long as 20 months. This bill further provides that any decrease would be made applicable to all new recruits and all four branches rather than provide an individual recruit with the option of electing either a \$100 per month for 12 months or, for example, \$60 per month for 20 months. It would be done in this way to avoid the increased administrative burden and cost as well as any possible interservice rivalry associated with a variable reduction system.

The VFW is on record as supporting such an alternate pay reduction formula. We believe veterans should be afforded an alternate contribution schedule which would allow them to spread their payments over a longer period of time to reduce the monthly reduction in wages. There are individuals, those who are married or who must help support parents or other family back home, who cannot afford the \$100 reduction in the relatively low salary earned in the first year of active duty in the armed forces. Our Executive Director, Cooper T. Holt, along with a number of other representatives from veterans' service organizations accompanied a Congressional delegation and visited a number of military installations at which time they spoke to a variety of

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recruits on this issue. It was discovered that many individuals would elect to participate in the Montgomery GI Bill if the contributions could be spread over a larger number of months thereby reducing its financial impact. Thus, the VFW supports this section.

Section 2 of S. 1997 would require the VA to pay to the survivor of a participating service member who died or dies from service-connected causes while on active duty the total amount that the service member's pay had been reduced by reason of his or her participation in the program minus any amount the participant had received in Chapter 30 benefits. In the event that the service member dies on active duty as a result of an injury or disease considered not to be service connected, i.e. an injury or disease that was the result of the service member's own willful misconduct or was not incurred in the line of duty, the survivor would not be eligible for the payment. The VFW supports this language to restore the remainder of a Montgomery GI Bill participants' contribution to the program to his or her survivors in the event of service-connected death. We view this as being a wise and compassionate exception to current law where under the basic pay reduction is nonrefundable and irrevocable. We would additionally urge that this exception be extended to the veteran participant himself when that veteran may not pursue a program of education due to service-connected disability. Although such situations would in all probability be rare, we strongly believe that the severely service-connected disabled veteran should not be deprived of sorely needed money which was contributed to a veteran's educational program because of an injury suffered while in service to the nation.

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The next bill under consideration today is S. 2307, a bill introduced at the request of the Administrator of Veterans' Affairs which is entitled, "The Veterans' Educational Assistance Improvements Act of 1988." Section 101 would amend Title 38 to make cooperative training available both to veterans entitled to educational assistance under the Montgomery GI Bill and those entitled under the Post-Vietnam Era Veterans' Educational Assistance Program. The VFW recognizes that cooperative courses have been a successful part of the training pursued by veterans under prior GI bills and, therefore, we supports this section.

Section 102 of S. 2307 would amend Titles 38 and 10, and provide for the acceptance of alternate secondary school credentials for Montgomery GI Bill eligibility. This section would bring Montgomery GI Bill eligibility into conformance with the standards acceptable to the armed forces. The VFW has no objection to this section.

Section 103 would amend Chapter 30 of Title 38, to specify that a person who receives an early discharge or release from service for a preexisting medical condition which the Administrator determines is not service connected and as a result of such discharge or release does not meet the length of service requirements for entitlement under that chapter shall be entitled to receive military pay equalizing the entire amount of the individual's military pay reduction for participation in the Montgomery GI Bill program, less any in-service Chapter 30 educational assistance received. The VFW supports this provision since we concur that it would remedy the inequity for such persons who pay for but, through no fault of their own, are denied the opportunity to use educational benefits.

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Section 104 would amend Title 38 by adding a new subsection authorizing an individual, eligible for Chapter 30 benefits, who is separated prior to the completion of his or her four year selective reserve obligation, due to disability, to elect whether he or she wants the greater monthly benefit under that section or the extended entitlement under section 1411. The VFW supports this section.

Section 105 would amend 38 USC 1515 to allow the use of nonpay programs in state and local government agencies, supported in the whole or in part with federal funds, to provide the training or work experience appropriate for an eligible service disabled veteran's program of vocational rehabilitation under Chapter 31. Further, the VA would also be required to promulgate regulations to monitor and guard against potential abuse of any such free resource by the employing agency and to ensure that such training is in the best interest of the veteran and the federal government. In light of the fact that this program has successfully utilized federal facilities to provide training and work experience to disabled veterans, the VFW strongly supports this section since we believe the utilization of state and local government agencies will better enable the veteran's Vocational Rehabilitation Program to rehabilitate disabled veterans and then bring them into the work force.

Section 106 would amend 38 USC 1631 to add provisions that limit the amount of educational assistance payable to persons incarcerated in a federal, state or local penal institutions for conviction of a felony to the lesser of the allowance otherwise payable or the established charges for tuition, fees and necessary books, supplies and equipment. Since this section would bring Chapter 32 into conformance with Chapters 30, 31 and 34, the VFW has no objection.

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We will now address Title 2 of S. 2307 which pertains to administrative provisions.

Section 202 would extend the existence of the VA Administrator's Education Advisory Committee until December 31, 1993. In light of the projected increase in veterans utilizing VA educational assistance under the New Montgomery GI Bill, the VFW believes that the Committee should continue to function and advise the Administrator on matters pertaining to veterans' educational benefits under that program. We therefore support section 202.

Section 203 of S. 2307 would amend Chapters 30, 32 and 35 of Title 38 and Chapter 106 of Title 10, to permit eligible individuals to receive payment for refresher remedial and deficiency courses at an appropriate charge to entitlement. Since this section would provide for a uniform policy in this area among the aforementioned educational benefit programs, the VFW has no objection to this section.

Section 204 would amend 38 USC 1413 to clarify that entitlement to Chapter 30, Montgomery GI Bill, will be computed from the date of first entry on active duty and (2) would amend section 1432 to provide for proportionate reduction in entitlement in accordance with reduction in monthly educational assistance allowance paid when a veteran pursuing apprenticeship or on the job training program, under Chapter 30, fails to work 120 hours in a month and (3) would amend section 1434 (a) to except section 1780 (f) from applicability to Chapter 30 and would add a separate section of similar contents but referencing Chapter 30 rates and (4) would amend section 1633 to provide for a proportionate reduction in Chapter 32 entitlement in accordance with the reduction in monthly educational assistance allowance paid when a veteran

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pursuing an apprenticeship or on the job training program under Chapter 32 fails to work 120 hours in a month and finally, (5) would amend section 1790 (a)(2) which provides that the Administrator may disapprove educational institutions for the enrollment of eligible veterans or eligible persons when the institution would deny them the benefits of prepayment allowance and this subsection would also amend section 1790 (b)(3)(A) to add Chapter 30 to the list of chapters enumerated therein. This would bring Chapter 30 under general provisions for ensuring proper payment of benefits by the VA. The VFW supports section 204.

Section 205, the final section of S. 2307, provides for the expansion of the ex officio members on the Commission to assess veteran's education policy. Under this section a representative of the Department of Defense, the Assistant Secretary of Defense for Force Management and Personnel, would become a member of the Commission. The VFW has no objection to this action.

The final bill under consideration today is S. 2383, a bill introduced by Chairman Cranston, for himself, and Senators Matsunaga and Graham, the proposed "Veterans' Education Benefits Amendments of 1988." Section 2 of this bill will make eligible for Vietnam Era GI Bill benefits under Chapter 34, those individuals who before January 1, 1977, commenced the third academic year as a cadet or midshipman at one the service academies or as a member of the SROTC in a program of educational assistance under section 2104 or 2107 of Title 10 and who had enrolled in Chapter 32 educational program. The VFW is firmly on record in support of the restoration of the Vietnam Era GI Bill eligibility to 1977 and 1978 service academy graduates. We also support the restoration of this benefit to the aforementioned SROTC participants. We

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believe these individuals were inadvertently and unfairly deprived of this benefit by the Congress when the Vietnam Era GI Bill was repealed in 1976. We believe GI Bill eligibility to those service academy graduates and midshipmen and SROTC program participants who had committed themselves to the active duty obligation entailed in entering the second half of their college careers at the service academies or under the SROTC Program should be restored. In our view, it was obviously an oversight and certainly not the intent of the Congress to deprive these outstanding members of the armed forces of an educational benefit to which they were entitled. We believe at the time of the repeal, the Congress simply failed to address the issue of these particular individuals. The VFW supports this section.

Section 3 of this bill would provide for a onetime course withdrawal without repayment of benefits. Under current law if a beneficiary has taken on too heavy or too difficult of a course load he or she may either drop the course in order to receive a nonpunitive grade and then risk being charged with an overpayment by the VA, unless mitigating circumstances can be proven, or not withdraw from the course and risk receiving a failing grade thereby jeopardizing his or her academic career in order not to be charged for overpayment by the VA. This section would provide the veteran with a fair and realistic alternative, namely dropping an overly taxing course so that his academic standing may be protected and not get hit with an overpayment by the VA. The VFW strongly supports this section.

Section 4 will make eligible for individualized tutorial assistance individuals who are pursuing an educational program under the Montgomery GI Bill--for those who earn entitlement at least in part through active duty

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service as well as for certain members of the selective reserve under Title 10 Chapter 106--or the Post-Vietnam Era Veteran's Educational Assistance Program. This tutorial assistance would be provided on the same basis as for those pursuing programs of education under Chapter 34 and Chapter 35 and would, therefore, be made available, without charge to entitlement, to those who are enrolled and pursuing a post secondary course of education on a half time or more basis at an educational institution and have a deficiency in a subject which is required as part of, or prerequisite to the satisfactory pursuit of, an improved program of education. The VFW views such tutorial assistance as being an invaluable adjunct to the attainment of advanced educational and/or vocational goals for the educationally disadvantaged. Thus, we strongly support this section.

Mr. Chairman, the VFW views S. 2383 as being a very well conceived and very well developed and executed legislative initiative which if enacted into law will greatly enhance educational programs provided to this nation's veterans. It has our strong support and we thank you, as well as Senators Matsunaga and Graham for its introduction.

Mr. Chairman, I wish to thank you and the other members of this Committee for holding this hearing today which clearly demonstrates an active and thoughtful concern with the enhancement of veterans' educational programs. This concludes my statement and I will be happy to respond to any questions you may have.



**PARALYZED VETERANS
OF AMERICA**
Chartered by the Congress
of the United States

STATEMENT OF
JOHN C. BOLLINGER, ASSOCIATE LEGISLATIVE DIRECTOR
PARALYZED VETERANS OF AMERICA
BEFORE THE
SENATE COMMITTEE ON VETERANS' AFFAIRS
CONCERNING
VETERANS' EDUCATION LEGISLATION
S. 1997, S. 820, S. 2307, and S. 2383
MAY 25, 1988

Mr. Chairman and Members of the Committee, it is a pleasure for me to be here today to present the views of Paralyzed Veterans of America (PVA) regarding certain changes and improvements in education programs for veterans and servicemembers. Specifically, I will address the four bills pending before this Committee today (S. 1997, S. 820, S. 2307, and S. 2383) which would collectively amend Chapters 30, 32, and 34 of title 38 United States Code and Chapter 106 of title 10 United States Code.

I wish to preface my remarks by expressing PVA's sincere appreciation to you, Mr. Chairman, for your efforts in making the Montgomery G.I. Bill a permanent reality. The ultimate passage of Public Law 100-48, enacted on June 1, 1987,

has resulted in the best educational incentive the federal government has to offer today.

We congratulate the Senate Committee on Veterans' Affairs for its role in this important piece of legislation. Your concern for the need and utility of educational incentives as an investment in our Nation's future is recognized and sincerely appreciated by PVA.

For over forty years, veterans have been eligible for federal educational assistance under a variety of educational assistance programs. The G.I. Bill has proven, in the past, to be one of the most significant federal programs ever enacted. The contributions to our society, stemming from the G.I. Bill, have strengthened our national economy, our national defense, and the lives and welfare of generations of American veterans and their families.

The Montgomery G.I. Bill continues the tradition of excellence in education assistance programs. It not only provides for the recruitment of high quality recruits and their retention within the military, but also serves as a vehicle for readjustment back into the civilian population. In a relatively short period of time, this program has attracted more than 450 thousand recruits. These individuals represent a more motivated segment of new recruits entering the Armed Forces. Their concern and investment in their educational futures translates into more highly motivated and capable military manpower. Ultimately, the beneficiaries of the Montgomery G.I. Bill will all be winners, whether they be individual recruits, the Armed Forces, or our Nation as a whole.

As the Montgomery G.I. Bill gains in popularity and gathers speed, we must recognize the need to "fine tune" the program in order to best serve our Nation's veterans and service personnel. Revisions must also be made to properly express the intent of Congress as the program matures and current program analysis becomes available.

Mr. Chairman, as we assess current veterans' educational activities, you have properly recognized the need to make certain amendments which would result in the improvement of not only the Montgomery G.I. Bill (Chapter 30), but the Veterans' Education Assistance Program (VEAP - Chapter 32) and the G.I. Bill (Chapter 34). PVA extends our appreciation to you in this regard. We also wish to specifically thank Senator Daschle for his concern regarding the flight training program as it pertains to Chapter 30 and Chapter 106.

S. 2307

I would first like to address S. 2307, entitled the "Veterans' Education Assistance Act of 1988." This measure, introduced by Senator Alan Cranston at the request of the Administration, would make a number of amendments to the VA education and vocational rehabilitation programs.

Title I of S. 2307 would provide for payment of benefits for cooperative training to participants under Chapters 30 and 32 of title 38 after their release from active duty. It would also change the secondary school credentialing requirements necessary for entitlement to educational assistance under Chapter 30 of title 38 and Chapter 106 of title 10. The bill would restore basic pay for certain individuals and permit eligible participants to elect the rate of basic educational assistance allowance

under the Montgomery G.I. Bill. In addition, title I of S. 2307 would allow for nonpay training in certain state or local government agencies as part of the VA Vocational Rehabilitation program. Finally, it would provide limitations on benefits to certain incarcerated veterans under Chapter 32.

Title II of S. 2307 would provide for certain administrative provisions including changes in clock-hour measurement of certain courses; the extension of the Veterans' Advisory Committee on Education; provisions for a uniform policy in regard to refresher, remedial, and deficiency courses; and other technical and clerical amendments. Finally, title II of S. 2307 would expand the members on the Commission to Assess Veterans' Education Policy to include an individual from the Department of Defense.

In general, PVA can support most of the proposals contained in S. 2307. Although we do have several concerns, we feel that the intention of the legislation is to bring uniformity to the various education programs administered by the Veterans Administration and to make certain necessary technical changes.

We support the addition of cooperative training for Chapter 30 and Chapter 32 participants. Cooperative training, which combines formalized education with training in a business or industrial establishment, has been an important aspect of Chapter 34 training. We believe it is proper to include such training along with apprenticeship and other on-the-job training programs.

Regarding Section 102 of S. 2307, PVA feels it is important to have uniform and properly acceptable standards when considering secondary school

credentials. In some instances, eligibility can be based on credentials as insignificant as a certificate of attendance. We have no objection to uniform regulations being promulgated by the Department of Defense for this program.

Sections 103 and 104 constitute reasonable and just methods by which individuals participating in the Montgomery G.I. Bill can receive repayments or benefits when, through no fault of their own, they are denied the opportunity to use educational benefits or are released prior to the completion of their service obligation. We can support these or similar provisions.

PVA also supports Section 105 of S. 2307 which would allow the Vocational Rehabilitation and Education Service the use of nonpay programs in state or local government agencies. This is an important addition to the Vocational Rehabilitation Program since veterans who reside in areas remote from federal facilities are unable to currently benefit from such training. Our concern with Section 105 is in regard to the Vocational Rehabilitation and Education Service's (VR&E) ability to adequately monitor such training in these state and local facilities. We know that their ability to monitor Chapter 31 related activities in VA Medical Centers is severely limited simply because VAMC Directors have generally placed a low priority on vocational rehabilitation evaluations and services. VR&E must be authorized to properly guard against abuse of Section 105 and to ensure that such training is in the best interest of the veteran and the federal government.

Regarding Section 106, PVA sees no reason to exclude incarcerated Chapter 32 recipients from provisions which are applicable to all other incarcerated veterans receiving education benefits under all other VA programs.

We agree with the Administration's proposal to extend the existence of the Administrator's Education Advisory Committee (Section 202) until December 31, 1993. We believe, however, it would be wise to include the Chairman of the Commission to Assess Veterans' Education Policy on the Administrator's committee. We believe this individual would add a great deal of expertise concerning significant policy issues and be a valuable asset to the committee.

Regarding Section 203, PVA agrees that there should be a uniform policy for treating remedial, refresher, and deficiency courses. We disagree with the manner by which the Administration proposes to accomplish this. Section 203 would charge entitlement when an individual pursues remedial, refresher, or deficiency courses. In the case of a program such as Chapter 30 where the maximum entitlement is 36 months of assistance, an individual using nine months of entitlement because of a remedial or deficiency course pursuit would be unable to utilize the balance of his entitlement to cover a four-year college. PVA believes it would be proper to create uniformity in all education programs by not charging entitlement when an individual enrolls in a remedial, refresher, or deficiency course. Chapter 34 would be an exception since the program expires on December 31, 1989.

S. 1997

Mr. Chairman, PVA agrees with the intent of your proposal to modify the manner in which Chapter 30 participants' basic pay is reduced in order to accumulate the required \$1200. Currently, a new recruit's modest monthly wage is reduced by \$100 per month. As you have stated, this represents a 20% reduction in salary. S. 1997 would provide the Defense Department with the discretionary authority to reduce the required monthly contribution to an amount as low as \$60 per month and correspondingly extend the number of months needed to accumulate the required \$1200. We agree that if such a proposal is enacted, it should be consistent among the four service branches in order to avoid inter-service rivalry and increased administrative costs.

S. 1997 would also provide for payments to the survivors of an individual enrolled in the Montgomery G.I. Bill who dies while on active duty due to service-connected reasons. If enacted, this legislation would require the VA to pay such survivors the amount that the recruit's pay had been reduced due to his contributions toward the required \$1200. The death payment would be reduced by the amount of benefits paid to an individual who had actually received Chapter 30 benefits. PVA feels this represents a compassionate and responsible manner by which such Chapter 30 contributions could be administered.

S. 820

This legislation, introduced by Senator Thomas Daschle, would provide education assistance for Chapter 30 participants in pursuit of flight training. While PVA certainly considers a career in aviation to be a worthwhile and positive endeavor, we remain concerned about several features

in this legislation.

Seven years ago, Public Law 98-35 prohibited new enrollments for flight training under Chapter 34. Congress felt that far too many individuals were using the program for recreation rather than vocational reasons. PVA is concerned that present legislation does not go far enough to ensure that this problem will not occur again.

We are specifically concerned with the provision that would entitle a participant to flight training benefits if that individual's training is "generally recognized as ancillary to the pursuit of a vocational endeavor other than aviation." PVA further believes that benefits, computed at the rate of 75% of the established charges for tuition and fees, are too generous. In addition to significant cost savings, we feel a 50-50 participation ratio would be more likely to ensure a genuine vocational interest by such a program's participants.

S. 2383

Mr. Chairman, I was a Veterans' Benefits Counselor when Public Law 94-502 was enacted establishing the Veterans' Education Assistance Program (VEAP). Ten years later, I vividly remember my attempts to explain the "delayed entry program" to certain service academy graduates looking forward to eventually using their Chapter 34 benefits.

S. 2383 would correct certain inequities forced on the service academy graduates in the classes of 1977, '78 and ROTC graduates of the class of 1978. Briefly, this problem was the result of these individuals having

entered into active duty contracts, but, through no fault of their own, had not been enlisted in or assigned to a reserve component before January 1, 1977. S. 2383 would correctly give these individuals, who were entitled only to use VEAP benefits, the opportunity to elect the more advantageous Chapter 34 benefits in lieu of VEAP. Eligibility should not be extended to such individuals who did not choose to participate in VEAP. The Congressional Budget Office anticipates the cost of this bill at less than \$1 million for any year.

S. 2383 also provides language that would preclude the establishment of an education debt when an individual withdraws from a course. This would apply only to the first instance and only to the extent that the withdrawal does not exceed 6 semester hours or the equivalent. This is a good idea for several reasons. It gives the beneficiary a chance to recover from an over zealous academic workload without facing the dilemma of a VA debt versus staying in the course and risking academic failure. Secondly, the Department of Veterans Benefits would save an enormous amount of time since claims regarding mitigating circumstances are often quite complex and time consuming. If this provision is limited to only one instance and does not involve more than 6 credit hours, we feel it would be an equitable, cost effective measure.

Finally, we would agree that tutorial assistance is a proper addition to the VEAP and Montgomery G.I. Bill. Once again, your effort to bring uniformity and equity to the various educational assistance programs is recognized and appreciated by PVA.

Mr. Chairman, your continued concern for the well-being of VA education activities remains a positive influence in the course of program excellence. When international and domestic headline issues dominate our daily lives and consume an already demanding legislative schedule, your continued dedication to our Nation's veterans remains intact. Please accept our gratitude for this effort.

Mr. Chairman, that concludes my testimony. I will be glad to answer any questions you may have.

STATEMENT OF ALLAN W. OSTAR
PRESIDENT, AMERICAN ASSOCIATION OF STATE COLLEGES
AND UNIVERSITIES

MAY 25, 1988

Mr. Chairman and Members of the Committee:

My name is Allan W. Ostar and I am president of the American Association of State Colleges and Universities, with headquarters at the National Center for Higher Education, One Dupont Circle, Washington, D.C.

I want to thank the Committee for the opportunity to testify on S. 1997, S. 820, S. 2307, and S. 2383 concerning education benefits for veterans and servicemembers.

Although I serve as a member of the Commission to Assess Veterans' Education Policy, I am not testifying on behalf of the Commission but rather as an educator with a long-standing interest in education for men and women in the armed services and veterans, and as a beneficiary of the World War II G.I. Bill.

I want to commend the Chairman and Members of the Senate Committee on Veterans' Affairs for their leadership in establishing the Montgomery G.I. Bill. The Bill already is proving to be an investment which is paying rich dividends both in attracting high calibre men and women to the armed services and in making it possible for able individuals to gain a postsecondary education and thus enhance their contributions to American society.

Now that there has been some experience with the Montgomery G.I.

Bill, it is appropriate to consider several modifications and do some fine-tuning.

With respect to S. 1997, I would like to go on record in strong support of the provisions to authorize the stretching out of the \$1,200 basic pay reduction, and to provide for a payment to the survivors of participants who die on active duty. I am convinced that giving new recruits the option of reducing the amount withheld from their basic pay from \$100 down to \$60 will make participation in the G.I. Bill much more feasible for those who need to send money home to assist in the support of their families. One of the principal public policy objectives of our Association is to reverse the alarming decline in the college-going rates of minorities who have graduated from high school. One explanation for this situation is that financial obstacles to pursuing a college education are too difficult to overcome, particularly for those who need to take low-paying jobs in order to help support their families. Reducing the monthly bite from their pay and stretching out the period of pay reduction up to 20 months will, in my opinion, make the armed services a more attractive option for able high school graduates from low-income families and increase their participation in the G.I. Bill.

While I continue to support the current policy of making the pay reduction for educational benefits nonrefundable and irrevocable, there is clear justification for one exception — and one exception only — based on a service-connected death of an active-duty participant such as those who died on the U.S.S. Stark.

Regarding S. 2307, I believe the modifications recommended by the Administrator of Veterans' Affairs are justified and needed, and based

on experience with prior G.I. Bills, and accepted educational practice. I would, however, recommend that Sec. 203 (D) (3) be revised to require that the Administrator only approve enrollment in a deficiency, remedial, or refresher course or courses taken in an educational institution accredited by an accrediting body approved by the Council on Postsecondary Accreditation and recognized by the U.S. Department of Education. Whenever possible, the course or courses should be taken at the institution in which the veteran is matriculated. This would help insure that material covered in such courses will indeed prepare the veteran to continue pursuit of his or her educational objective and avoid potential abuses under the undefined term "appropriate educational institution."

With respect to S. 820 to provide educational benefits for flight training, I cannot help but recall the abuses that occurred under the World War II G.I. Bill where educational benefits were used to pay for what essentially was a recreational activity. I believe a study by the General Accounting Office in the 1970s resulted in elimination of flight training as an educational benefit. S. 820 recognizes some of the problems that arose under prior G.I. Bills, and I would suggest, Mr. Chairman, that more detailed definitions and restrictions be considered for incorporation into the bill.

Finally, I fully support the provision of S. 2383 introduced on May 12, 1988 which would allow a student under certain limitations to withdraw from a course without an overpayment situation which results in an indebtedness by the student. And it is certainly appropriate to make Chapter 30 and 32 participants eligible for tutorial assistance in accredited institutions. I also support the provision which makes

1977 and 1978 service academy graduates and 1978 SROTC graduates eligible retroactively for the Chapter 34 program if such students had already indicated an interest in veterans' education benefits as evidenced by their participation in the Chapter 32 program.

Thank you, Mr. Chairman, for the opportunity to work with you and your staff, and to serve on the Commission to Assess Veterans' Educational Policy so that I may, in some small measure, contribute to the development and improvement of the G.I. Bill which has done so much for so many.

Testimony
on
Montgomery GI Bill Amendments

by
Sandra L. Ritter
Trustee
Oakland Community College
Bloomfield Hills, Michigan

on behalf of
The Joint Commission on Federal Relations
of the
American Association of Community and Junior Colleges
and the
Association of Community College Trustees

Committee on Veterans' Affairs
U.S. Senate
May 25, 1983

Mr. Chairman, we are delighted to have this opportunity, among other reasons, to thank you and your Committee for the pivotal role you played in the enactment of the Montgomery GI Bill. Primarily it was your vigorous leadership that propelled the bill through the Senate.

My name is Sandra L. Ritter of Waterford, Michigan, Chair of the board of Michigan's Oakland Community College. I am also a member of the boards of both the American Association of Community and Junior Colleges and the Association of Community College Trustees. I am immediate past Chair of the AACJC-ACCT Joint Commission on Federal Relations. I am testifying in behalf of the Joint Commission as well as the other associations listed at the close of this statement.

Mr. Chairman, this may be a woman's perspective, but the Montgomery GI Bill enhances my own sense of security. Clearly, our national security is greater because the Montgomery GI Bill is in place and is working! Surely it deserves much of the credit for the success of the All-Volunteer forces.

Among other dramatic gains, it has turned what was little better than a third rate Army, often training out of modified comic books, at the beginning of this decade into a U.S. Army that may well claim to be the most talented in the world. This improvement alone is beyond price.

Like the other GI Bills before it, the new GI Bill is doing at least as much for the American economy and workforce as it is doing for the military.

In fact, this is even truer of the Montgomery GI Bill than it was of its predecessors, because of the college benefits it provides enlistees in the National Guard and Reserve. Both the military and economy reap immediate direct benefits from the skills that Reserve and Guard members acquire with these benefits.

If I may quote from the Congressional Record of March 2, 1988, in which Senator Cohen introduced remarks made by the community colleges' federal liaison chief, Frank Mensel, to a National Guard training conference, Mr. Mensel pointed out:

Through the six-year enlistments with the Guard and Reserve, the Montgomery GI Bill will produce many "three-fers." A "three-fer" was affirmative action jargon for a job candidate who represented three protected groups -- for example, an Hispanic veteran over 40 years old, or a minority woman with a handicap. In Montgomery GI Bill terms, a "three-fer" is a part-time soldier going to college on Montgomery GI Bill benefits, who is applying newly acquired skills in part-time work outside Guard or Reserve duty. Actually, I would see that student as a four-fer if he or she were moonlighting in a defense industry.

With the reduced supply of high school graduates, we are going to need lots of three-fers and four-fers in the next decade if the American economy and workforce are going to catch up with the global competition. Very simply, we are not going to overtake the competition unless U.S. employers have the best trained skill base, the best technicians, in the world. And it will take strong partnerships between the military and the two-year colleges, drawing upon the Montgomery GI Bill, to produce them.

Mr. Chairman, the community colleges and the Associations I represent are pleased with several amendments you have introduced to fine tune the GI Bill.

Especially important is the provision that would allow enlistees in the regular forces to stretch out the payroll deductions of their \$1,200 contribution over more than 12 months. Preferably, the deductions could be spread over the full term of their initial enlistment, whether two years, three years, or longer.

This amendment would be especially beneficial to youth from disadvantaged homes. A \$100 monthly pay cut almost certainly precludes enlistment in the regular forces for great numbers of such youth who help shoulder their families' economic burdens. I would think the Services also would welcome this change; it could help the Navy, Marines and Air Force match the Army's exceptional success rate in utilization of the Montgomery GI Bill.

As the House Veterans' Affairs Committee found last year in its visits to recruit training bases, significantly greater numbers of enlistees would have enrolled in the Montgomery GI Bill had the payroll reduction schedule been more flexible for meeting the \$1,200 commitment.

You are taking a wise and compassionate step also, Mr. Chairman, to propose that surviving family receive a refund of unused payroll contributions when the service member enrolled in the Montgomery GI Bill dies in the line of duty before collecting any or all of the educational benefits.

Community colleges surely support the proposed increase in tutorial assistance and its extension to the veterans and GI Bill participants who were not previously eligible. Such assistance would be highly beneficial, for example, to many Chapter 106 recipients who entered the service as high school graduates but have basic skill deficiencies or need special help with technical courses. As part-time military and full-time students, many Guard and Reserve members are comingling jobs and family responsibilities as well. In such circumstances, the tutorial assistance may prove vital to their academic success.

We also applaud the amendment you propose that would allow a student drawing educational benefits from the Veterans Administration to withdraw from not more than six credit hours of courses with non-punitive grades without

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incurring an overpayment liability. We would prefer this tolerance be granted for either one or two instances with the six-credit total -- i.e., either the one six-credit withdrawal or two three-credit exceptions -- rather than the single withdrawal. But, either way, with the exigencies that sometimes arise in a veteran's or service member's college career, this flexibility makes very good sense.

We hope, Mr. Chairman, that Congress soon will make Montgomery GI Bill participants, including Chapter 106 recipients, eligible to use their benefits for graduate study.

In closing, Mr. Chairman, we respectfully urge Committee members to exert their leadership with Congress in reversing the erosion of funding for the Veterans Education Outreach Program (VEOP). As we recall, Mr. Chairman, you were the author of the Veterans Cost of Instruction Program (VCOI), which was the forerunner of VEOP. This modest incentive has proven highly successful in helping colleges maintain professional staff devoted to the needs of veterans and students from the armed forces. It thus contributes to the success of the All Volunteer military.

VEOP is a prime example of what some lawmakers term progressive federalism -- a small federal incentive that leverages exceptional local effort. The Education Department's arguments for trying to zero out the program are specious. With the success of the MGIB, most campuses are again serving increasing numbers of veterans and service members. Such enrollment may well constitute ten percent of the typical campus population by 1990. But, unfortunately, it is often the smaller programs that exert the greatest relative bang for the buck, such as VEOP, that suffer most in the deficit

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crunch. With all that is at stake in the MGIB, for veterans, the military, the economy and education alike, VEOP is a very small price to pay to help ensure that GI Bill participants enjoy the fullest measure of their benefits.

Attached to our testimony is a letter from Bishop Johnson of Burlington County College, New Jersey, which typifies the mail we are receiving from colleges about the importance of VEOP.

Thank you again, Mr. Chairman, for this hearing and for your vigilant leadership. Besides AACJC and ACCT this statement is made in behalf of:

The American Council on Education

The Association of Urban Universities

The National Association of College and University Business Officers

The National Association of State Universities and Land Grant Colleges

The National Association of Student Financial Aid Administrators



**BURLINGTON
COUNTY
COLLEGE**

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(609) 894-9311

Mr. Frank Mensel, AACJC
National Center for Higher Education
One Dupont Circle, NW Suite 410
Washington, D.C. 20036

Dear Mr. Mensel, AACJC:

As you will recall, the Veterans Education Outreach Program (VEOP) was designed by Congress to breathe new life into the Vietnam era Veterans Cost of Instruction Payments (VCIP) Program. The VEOP expanded outreach and retention services to all honorably discharged veterans enrolled in participating institutions.

We are presently in our first funding year under VEOP with an appropriation of \$3 Million. Because of the negotiated reductions, we are anticipating \$2.9 Million for 1988. The Department of Education has requested no funding for 1989.

The Department of Education's budget request is misleading. It is true that there are fewer Vietnam era veterans enrolled, but due to the high participation rates in the Montgomery GI Bill and other military incentive programs, the DOD and leaders in education have indicated that we can expect 10% of all enrolled students to utilize VA education programs by the early 1990's. This will be at least a three fold increase! Numbers of students using these benefits have already started to rise.

While present funding levels satisfy only a small part of the cost of operating veteran programs on the campus, it has encouraged institutions to maintain visible programs for their student veterans. The Department of Education has indicated that veterans can be adequately served through traditional institutional services. However, we strongly fear that without the VEOP grant veteran programs will disappear, services will not be provided, and the veterans' unique needs will be neglected.

By creating the VEOP, congress has agreed that the program is viable and important. We are requesting your support to continue appropriations for this program. We also request that you review the current level of funding and seek a supplemental appropriation which is necessary to accomplish the legislated goals of the Veterans Education Outreach Program.

Sincerely,

Bishop M. Johnson
Director
Office of Veterans Affairs



National Association of Veterans Program Administrators

Bertie Rowland, President
c/o California State University, Chico
Veterans Affairs
Chico, California 95929-0711
(916) 895-5911

TESTIMONY BY

Bertie Rowland, President
National Association of Veteran Program Administrators
before the
Senate Committee on Veterans' Affairs
Concerning Education Programs
for
Veterans and Servicemembers
May 25, 1988

Mr. Chairman and members of this committee, on behalf of the National Association of Veterans' Program Administrators, I wish to thank you for the opportunity to present our views on legislation which will effect the educational benefits of our veterans and servicepersons.

NAVPA wishes to express it's full support for the provisions of S. 1997 which would allow the Secretary of Defense to set an amount for pay reductions as low as \$60 per month over 20 months but not more than \$100 per month over 12 months. This provision will give the Secretary the ability to encourage participation in the Montgomery GI Bill by

making it economically accessible to more of our young servicepersons. Many of the people who are first entering the military have found that the reduction in pay is difficult or prohibitive. All the GI Bills have proven to be the most cost effective and beneficial pieces of legislation passed. The GI Bills have effectively provided restored educational opportunities and readjustment benefits. It is in our best interest as a people to provide educational opportunities to as many of our servicepersons as possible. Approximately 30% of the recruits in 1987 have been non-participants in the Montgomery GI Bill. The ability to relax the contribution level should allow participation by some who have found it to be not economically possible when pay is reduced by \$100 per month.

S. 1997 Section (2) is also supported by the National Association of Veteran Program Administrators. This provision will allow for a "death benefit" to survivors in the event that a serviceman is killed while on active duty.

The provision in S. 2307 which will allow restoration of basic pay to a service member who is discharged due to a pre-existing medical condition is also supported by NAVPA. It seems appropriate that since the service person is not eligible for educational benefits under Chapter 30, and this eligibility is through no fault of their own, that their basic pay should be restored to them.

NAVPA is pleased to legislation in S. 2307 which will clarify the accepting of alternate secondary school credentials for Montgomery GI Bill eligibility. Several cases have been presented to NAVPA in which a veteran had not completed a high school diploma or "equivalency" exam, yet they had successfully completed an Associates degrees, or had completed a year or more of college work before entering the service. Because of the strict wording in the law, these veterans were denied access to the Montgomery GI Bill. The ability by the Secretary to determine equivalency for secondary school credential will best meet the spirit of the law by allowing qualified servicemen access to educational benefits.

The VA Administrator's Advisory Committee helps to fill the need for communication between the Veterans Administration and the Higher Education Community. NAVPA supports the continuance of this committee through the mid-1990's as proposed in S. 2307.

It is vital that the Montgomery GI Bill allow for the pursuit of remedial, refresher and deficiency course pursuit. The standards of entry into colleges and universities are rising. Individuals who may have been prepared to enter an institute of higher learning when they entered the military, may find themselves short of basic

course requirements when they are discharged. Without the provision to allow for remedial, refresher and deficiency courses, our veterans will be forced to make up their course deficiencies without the support of the educational program they had counted on.

Debt prevention in the VA Educational benefit system is a concern for the Congress, the VA and educational institutions. We want to maintain the integrity of the benefit system, prevent fraud and abuse, but at the same time, we would like to be fair to the veteran student. The provision of proposed legislation to allow the presumption of mitigating circumstances for one incident up to six units should have an impact on debt creation while allowing some flexibility in mitigating circumstances.

Presently, the only circumstances which are considered mitigating are unforeseen changes in employment or health which are beyond the student's control. Unfortunately, this restrictive view of mitigation does not allow for problems often associated with families. An example of a significant problem which is not allowed as mitigation is the parent with child care problems. The provision for 6 units of presumed mitigation will help to mitigate the problem of flexibility in students who are forced to withdraw from coursework.

Another aspect to the presumed mitigation problem is the problem of "non-punitive" grades at the end of the term. The veteran is assigned a non-punitive grade which requires the reduction in payment for the entire semester. This can place a hardship on the veteran who must then pay back the VA for the term, usually right when they are trying to start another term. This penalty is placed on the veteran student with earned benefits - while their peers who are drawing "Financial Aids" simply "make up the deficit in units" or have their problems mitigated under what appears to be a more lenient system. Allowing for 6 units of presumed mitigation will promote fairness.

We appreciate the opportunity to address the Senate Committee on Veterans' Affairs on these matters. We commend the work that has been done in creating the Montgomery GI Bill and in implementing it as a successful program. Our comments to the proposed changes are favourable to the work that is being done to fine tune the program - and reflect the fact that only the finest of corrections should be made and with a great deal of care. The impact of the Montgomery GI Bill will no doubt be felt for many generations.

POSITION PAPER
ON
VA EDUCATION BENEFIT PAYMENTS FOR REMEDIAL TRAINING
FOR
MONTGOMERY GI BILL RECIPIENTS

I. Position Statement: The National Association of Veteran Program Administrators (NAVPA) feel that Montgomery GI Bill recipients (Chapter 30, Title 38 U.S. Code and Chapter 106, Title 10 U.S. Code) should be paid VA education benefits for required remedial courses.

II. Background: Historically congress has recognized that not all veterans who desire a college education are prepared to complete college level work. To assist veterans who are in this situation, previous VA educational assistance programs have authorized payments for remedial training when a need is demonstrated.

This policy for remediation addressed the problem of inadequate high school preparation and the delay, caused by military service, between graduation from high school and entry into college. A study conducted in 1985 with the U.S. Navy (Bowman 1985) lends support to the previous position on remediation. The study measured the reading comprehension level of Navy recruits, both high school and non-school graduates, during the period of June 1984 through May 1985. The study found that approximately 30 percent of all recruits read at or below the ten (10) grade level, and almost 15 percent read below the eighth (8) grade level.

More recently the issue of poor academic preparation of high school graduates was addressed by the State of Florida. In 1984 a comprehensive plan to improve the level of academic performance was implemented. While this plan is multi-faceted, an integral part is the periodic assessment of the students progress at selected points in their education. This assessment includes testing to insure that students meet minimum standards for high school graduation and entrance into college. The justification for assessment at these points is the realization that meeting minimum standards for high school graduation does not imply that the graduate is prepared to enter college. To allow students to enter into college without proper preparation would compound the problem and place the students at a distinct disadvantage.

The assessment process for college entrance involves the comparing of test scores received on standardized college entrance examinations with established minimums. The areas measured are reading, English grammar and mathematics. If the student scores below the established minimums, then they must enroll in special college preparatory course(s), which are offered at the community college level. While these courses are below the college level, they are above the equivalent high school course.

These policies are mandatory, by Florida statute, and apply to all first time in college students seeking admission to any state supported, two or four year school. Furthermore, the student is required to complete his/her program of college preparatory course(s) before they are allowed to pursue classes in the deficient areas.

Under the current rules for the Montgomery GI Bill veterans are prohibited from receiving educational assistance for any course that does not count towards graduation (i.e. remedial, college preparatory). This policy applies even in cases, such as in Florida, where the remedial course is mandatory and must be completed to proceed in college.

III. Recommendations: We in NAVPA feel that with the renewed emphasis being placed on assessment and remediation, the Montgomery GI Bill recipients should be allowed to receive benefits for remedial courses when a justified and documented need is demonstrated.

Ronald H. Atwell/Office of Veterans Affairs, University of
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Phone: (407) 275-2707

TESTIMONY FROM

Glenn A. Morris, President, National Association of Veterans
Upward Bound Project Personnel

and

Jon H. Westby, Past President, National Association of Veterans
Upward Bound Project Personnel

Presented to the Committee on Veterans Affairs

U.S. Senate

May 25, 1988

Veterans Upward Bound is one of the TRIO programs funded through Title IV of the Higher Education Act. These programs provide academic, counseling and supportive services to low-income educationally disadvantaged veterans so that they can prepare for enrollment and success in postsecondary education or training. Currently there are 23 Veterans Upward Bound Projects located in 19 states and Puerto Rico. During the 1986-87 year, over 4,500 veterans were assisted by these programs.

We wish to discuss including in the GI Bill Amendments of 1988, a provision which would allow veterans to receive benefits for refresher training to improve academic skills deficiencies. Such a provision has been proposed by Chariman Cranston in S 2307, Title II Section 203.

The Montgomery GI Bill is an outstanding educational opportunity for veterans. It has one obstacle which hampers it's full utilization by all eligible veterans, however, it cannot be used for remedial or refresher educational pursuits.

Success in a postsecondary setting whether a four year college or a technical institute, requires adequate preparation. Nearly every type of postsecondary institution administers a battery of academic assessment tests to all new incoming students. Individuals scoring low on these tests are required to enroll in remedial/refresher courses in order to raise their skill level. Many of these courses are non credit and cannot be included in the student's regular academic program. As a result, students in these courses are often unable to receive financial aid, such as the Pell Grant. Under Chapter 30, veterans also cannot receive GI Bill benefits for attending such courses. Although many of these courses do not have a tuition charge, veterans enrolling in them still need some type of financial assistance for transportation and living expenses. Without

such financial assistance it is doubtful if very many would be able to attend.

Although military test scores for new recruits have increased in recent years, there remain a great many service personnel who are academically deficient.

According to the Assistant Director for Educational Policy in the Department of Defense, over \$17 million was spent during Fiscal Year 1987 to provide basic skills training to military personnel in all branches of the armed forces. The projected figure for this training for Fiscal year 1989 is \$15 million. This training includes such areas as developing technical vocabulary and job specific training as well as remedial reading, English, and math.

High test scores are not necessarily an indicator of success at the postsecondary level. Many individuals may be able to test well but still have poor study skills, inadequate writing skills or not have the critical thinking and analytical skills necessary to complete a college program. The Veterans Administration projects that between 1988 and 1993, 782,000 veterans eligible for Chapter 30 will be discharged from service. The House Veterans Affairs Committee while developing their amendments, estimated that ten percent of all trainees would make use of refresher courses. Over the next six years this could total nearly 80,000 individuals. Clearly this number is significant.

Also military test scores do not show the wide discrepancy in terms of quality and comprehensiveness of high school curricula. Obviously there are vast differences in quality from state to state and among school districts within individual states. As a result, before they can enroll in a postsecondary program, many veterans may need to take high school level courses which were not even available

through their secondary school system.

As a cost saving measure, the National Association of Veterans Upward Bound Project Personnel supports charging refresher training against a veterans entitlement. This would give the veteran the option of utilizing his or her benefits to prepare for postsecondary education or to save them for their fourth year of school. We expect that the majority of veterans in need of refresher/remedial training will use their benefits for such training and utilize other financial aid programs to finance their fourth year of education.

The purpose of the GI Bill is to help former military personnel adjust to civilian life. For those with inadequate academic skills, nothing could help their adjustment more than providing the opportunity to improve their skills and enroll in a postsecondary program. This simple educational opportunity for the transition from the military to postsecondary has proven beneficial and successful for post Korean veterans, Vietnam veterans, Post Vietnam veterans, and V.E.A.P. program veterans. The results of this change for Chapter 30 GI Bill participants will reap benefits to them in their transition into postsecondary education

Your colleagues on the House Veterans Affairs Committee recognize this and have included benefits for remedial/refresher training in their ammendments to the GI Bill. We urge you to do the same.

VETERANS ADMINISTRATION - APRIL 1, 1988

Estimated Eligible Users of the New Montgomery G.I. Bill - Chapters 30 and 106

	<u>Chapter 30 - Nationwide</u>	<u>Chapter 106 - Nationwide</u>
FY 88:	19,400	136,000
FY 89:	41,500	185,300
FY 90:	104,700	213,500
FY 91:	165,300	223,900
FY 92:	209,100	174,900
FY 93:	242,000	181,800

DEPARTMENT OF DEFENSE

Expenditures and Numbers Served in Functional Skills Program*

	Fiscal Year			
	1986	1987	1988 ¹	1989 ¹
Dollars Spent in Millions	13.4	12.4	7.1	7.6
Number of Participants	122,737	111,767 ²	74,674	60,000 ³

* Does not include Marine Corps

1. Projected figures

2. The Air Force discarded this program in mid 1987

3. The Navy projects a large cutback in numbers served due to more selective recruiting



AIRCRAFT OWNERS & PILOTS ASSOCIATION

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STATEMENT OF JOHN L. BAKER, PRESIDENT

AIRCRAFT OWNERS AND PILOTS ASSOCIATION

COMMITTEE ON VETERANS' AFFAIRS

HONORABLE ALAN CRANSTON, CHAIRMAN

U. S. SENATE

MAY 25, 1988

REGARDING VETERANS' EDUCATIONAL BENEFITS

Mr. Chairman, I am John Baker, president of the Aircraft Owners and Pilots Association (AOPA). AOPA represents the national aviation interests of 265,000 pilot members who own and operate general aviation aircraft for business and personal reasons. We are very concerned with the future of general aviation and the entire aviation community.

I appreciate the opportunity to provide these comments to the Committee on Veterans Affairs regarding the inclusion of veterans' flight training benefits under the new G.I. Bill. The House Veterans' Affairs Committee has held hearings on this same topic in 1985 and 1987 when AOPA testified in favor of this program. Since that time, the national need for qualified pilots has increased dramatically and the aviation career opportunities that could be available to veterans have expanded.

Mr. Chairman, AOPA commends Senator Tom Daschle who has recognized the career opportunities available in aviation and has introduced legislation, S.820, to include flight training as a career opportunity for veterans.

This measure contains substantially the same language that overwhelmingly passed the House of Representatives in 1986 as section 107 of H.R. 3747. Unfortunately, the Senate did not consider similar legislation in the 99th Congress. The House Veterans' Affairs Committee has recently passed H.R. 4213, which includes provisions to reinstate flight training for veterans.

AOPA strongly believes that as long as the federal government provides for educational assistance to veterans to restore lost educational opportunities for those whose careers have been interrupted by military service and to assist them in attaining the educational and vocational status that they would have achieved but for such service, the option of flight training should be among those educational courses permitted. The issue of equity in veterans' choice of education and career remains the same. To single out flight training as being unworthy of educational support is unfair and inequitable. In spite of occasional abuses of this program, we are aware of no substantive evidence that the level of abuses in flight training exceeded those of other educational options available to the veteran.

In the past, the General Accounting Office (GAO) and the Veterans' Administration have alleged that flight training programs have not met the objective of providing substantial employment for those trained and that many individuals have used these programs primarily for recreational or avocational purposes. These allegations are simply without merit once their findings are placed in proper perspective.

In 1979, GAO found that only sixteen percent of flight trainees under the program had full-time jobs directly related to this training. Their criteria for measuring this occupational and training match was far too narrow. They considered that only people listing occupations such as flight instructor or airline pilot as involved in an aviation occupation that related directly to the training. By analogy, this would be the same as saying a person who received a Masters in Business Administration degree was not properly trained for an occupation as a college professor or association representative. I would urge some of the traditional veterans organizations which have opposed flight training as an option for education benefits in the past, citing this flawed GAO report to take a close look at the faulty methods GAO employed in coming up with their report, and come out in support of S.820.

Flight training offers unique alternatives to veteran graduates. Salesmen, newsmen, fishermen, oil and gas specialists, insurance representatives, doctors and those engaged in numerous other occupations find airplanes valuable and, often, one of the most important tools in their businesses or professions. Consequently, individuals may not be "professionally" engaged in the business of commercial flying; however, the necessary ancillary use of flight training has been recognized as a valuable "support" tool for a wide variety of professions.

In 1978, the Veterans' Administration reported that graduates of flight training programs were quick to accept very limited, part-time employment for the purpose of receiving free or reduced rate flying rather than for full-time employment as professional pilots. This appraisal ignores the fact that in order to secure a professional pilot's job that pays a living wage, several thousand flight hours must be logged to demonstrate the adequate experience level required before being hired to safely carry passengers or cargo for hire. In order to gain this experience, most developmental pilots take jobs as part-time flight instructors or as nighttime or weekend cargo pilots flying small aircraft. This allows the aspiring corporate or airline pilot to gain the necessary level of experience required by airlines and corporate flight departments, while holding another job that pays a living wage. Once these pilots go through their training period, they often earn higher salaries than most of their counterparts who earn bachelors degrees from four year colleges and universities.

Less than two percent of the millions of veterans receiving educational benefits over the last 19 years have been involved in flight training. First, this is a very small percentage of the total. Second, by eliminating the eligibility of flight training for veterans' educational benefits, the entire veterans group who received flight training benefits was accused of abuses. Clearly, this was not the case. I am confident that quite a high percentage of the veterans who received flight training under the G.I. Bill are an integral part of our working pilot population today.

From an even broader perspective, the United States desperately needs to train commercially qualified pilots to fill a growing demand for professional pilot services. Figures provided by the Future Aviation Professionals of America (FAPA), which tracks hiring patterns, clearly paints a picture of huge increases in aviation employment (See attached table.) For this hearing, I will emphasize the pilot shortfall for the 1987-97 time frame. FAPA's ten-year pilot projections, based on a conservative five percent growth factor and known retirements (FAA has a 4.9% growth factor), show thirty-two thousand airline jet pilot jobs and ten to twenty thousand nonjet regional airline pilot jobs to be filled. For comparison, consider the airlines now employ some fifty-three thousand pilots. An aging airline pilot population, which will be retiring in the next decade, and the explosive growth in commercial air travel combine to create this tremendous shortage of pilots as well as flight attendants, mechanics and other jobs in the aviation industry.

Burgeoning airline, corporate aviation and utility pilot needs in the United States must be viewed as a part of the nation's transportation system requirements. If these needs are not met, the nation's economic and commercial growth and well-being surely will suffer, for it is air transportation in all its forms that has been one of the principal facilitating factors in America's growth.

The lure of an airline or corporate flying job is not as great as it once was. The initial investment to become eligible for these highly technical jobs is becoming too great. A candidate for veterans' flight training benefits must first obtain a private pilot certificate using his own resources, a task currently valued at around \$3,500. The training to become a commercial pilot may easily exceed \$10,000 and, to receive an instrument rating, approximately \$3,500. Since these qualifications are the bare minimum to qualify for even the entry-level piloting job, only the well-heeled can possibly afford this. When the G.I. Bill was underwriting 90% of this, an aspiring pilot could handle the capital investment much more easily.

Training to become a professional pilot requires a unique and complicated form of education, one which few people are likely to understand or appreciate, but the payoff in terms of adequate numbers of well trained professional pilots for the nation's air transportation system in the years to come is certainly great enough to warrant the resumption of this critical form of training within veterans' educational benefits. Since the job opportunities are increasing

rapidly for pilots, and the intelligence and skill level of our all-volunteer military personnel is improving significantly, the reinstatement of flight training can be an important boost to veterans entering the civilian work force and relieving the national shortage of qualified pilots. I urge you to reinstate the flight training provisions of the Veterans' Educational Assistance Act.

I appreciate this opportunity to present the views of AOPA before this Committee.

PILOT DEMAND U.S. Large Turbojet Operators

<u>YEAR</u>	<u>GROWTH</u>	<u>RETIREMENT</u>	<u>TOTALS</u>
1987	1601	657	2258
1988	1520	955	2475
1989	1496	1086	2582
1990	1067	1377	2444
1991	980	1279	2259
1992	1277	1647	2924
1993	1332	1860	3192
1994	1214	2105	3319
1995	1242	2137	3379
1996	1133	2413	3546
1997	987	2425	3412
	+ _____	+ _____	+ _____
Net Totals.....	13849.....	17941.....	31790

FAPA, 4291-J Memorial Drive, Atlanta, GA 30032 * (404) 294-0226

Statement of the
National Home Study Council

Commenting on the Amendments
to the Montgomery G.I. Bill

Presented to
The United States Senate Committee
on Veterans' Affairs

Submitted by
William A. Fowler, Executive Director
National Home Study Council
1602 - 18th Street, N.W.
Washington, D.C. 20009
202-234-5100

May 23, 1988

TESTIMONY

The National Home Study Council, representing the 101 accredited home study schools that have trained millions of Americans, appreciates this opportunity to furnish commentary on the proposals to strengthen educational opportunities for veterans.

In the spirit of one of the bills before the committee (S. 2307), the National Home Study Council offers some suggestions to "make certain improvements in the educational assistance program for veterans."

ALLOW RESERVISTS TO STUDY BY CORRESPONDENCE

First, expand the opportunities for Reservists by allowing them to study by correspondence. Presently, they are denied access to this uniquely flexible form of education, which the Veterans Administration has found to be particularly suited to veterans with "more rigid family and job requirements." Like Korean war veterans (whose twenty-three percent usage of correspondence education prompted the Veterans Administration analysis), these older individuals often find that "correspondence is the only type of education flexible enough to fit" the demands on their time. Without this change, America is inadvertently disenfranchising many thousands of Reservists who are only able to participate in educational programs if they can study at home.

DON'T PENALIZE THOSE WHO CHOOSE CORRESPONDENCE

Second, be fair financially to those who choose to use their benefits for correspondence education. Veterans who use home study are short-changed in the current law, despite the extensive use of correspondence education by the military services themselves and its history of widespread acceptance by veterans. Veterans, who find correspondence courses more suitable to study a given subject, currently must pay from their own resources forty-five percent of the cost of their courses, while those who study similar courses in a resident school have all or most of their total educational costs absorbed by the Veterans Administration.

Since under the provisions of the Montgomery G.I. Bill veterans invest in their own future educational benefits with money that they otherwise would have received in salary, diluting these benefits because they elect to study by correspondence is obviously unfair. It is the reverse of the "double-dipping" we hear about, for here the veteran is being charged twice for the educational benefits he or she was promised.

Home Study is a unique educational method that demands much from its students — studying by yourself is never easy — while it provides the greatest flexibility at the least cost of any educational method.

Those of us who know the value of correspondence study (including, as noted below, the United States Military Services) have had to fight an uphill battle to gain acceptance for it. There are a number of reasons for this, among them the widespread unfamiliarity with correspondence training. If you have never taken a tough correspondence course, you may not be familiar with the decades of academic research which has repeatedly shown that "correspondence students perform just as well as, and in some cases better than, their classroom counterparts." (Correspondence Study: A Summary Review of the Research and Development Literature, Mathison, 1970.)

U.S. MILITARY: LARGEST HOME STUDY SCHOOL IN WORLD

Although most legislators, regulators and professional educators are relatively unfamiliar with home study, the military services are not. The United States military is the single largest supplier of home study instruction in the world with the Extension Course Institute (ECI) of the Air Force enrolling over 450,000 students each year, the Marine Corps Institute over 350,000, and the Army Institute for Professional Development (AIPD) enrolling over 300,000. The Army alone has over two thousand correspondence courses.

Military correspondence opportunities have existed for over seventy-five years. Organizations like the Naval War College, the United States Coast Guard and the National Defense University serve certain of their students through correspondence study. The military has identified correspondence study as one of the most cost efficient and educationally sound training methods available today.

More than one-third of the active duty service personnel using the G.I. Bill during the Viet Nam era (1966-1975) enrolled in correspondence courses. Given a level playing field, service personnel vote for home study.

Likewise, veterans (many of whom were exposed to the effectiveness of correspondence study while in the service) have shown their appreciation for the flexibility that correspondence study provides. For post-Korean veterans, for example, more than twenty-three percent of those studying under the G.I. Bill elected to study by correspondence. The Veterans Administration observed that for older and more established veterans, "Correspondence is the only type of training flexible enough to fit their more rigid family and job requirements."

WHY SHORT CHANGE THE CORRESPONDENCE STUDENT?

The historic usage of correspondence courses by veterans, the continuing large-scale usage of correspondence study by the services and the unique and flexible nature provided by correspondence education all call for making this type of education available to those who can benefit under the Montgomery G.I. Bill. Unfortunately, veterans are severely circumscribed in their use of correspondence education because they must pay (from their own resources) forty-five percent of the course tuition, unlike veterans who happen to select resident schools offering similar training. Although years ago there may have been some rationale for having the veteran pay part of the tuition toward his correspondence course, current procedures (reimbursement of tuition after lesson completion) are sufficient to deter any misuse of payments for tuition. Thus, there is no longer any justification for penalizing veterans who prefer the flexibility of correspondence education by making them pay forty-five percent of the course cost from personal funds. Resident school students suffer no such penalty.

Even worse, Reservists today cannot use their G.I. Bill benefits for correspondence opportunities at all. As the Army recognizes (in the Montgomery G.I. Bill), the G.I. Bill is proving to be "as popular with reservists and guardsmen as with their active counterparts." Clearly, if it is proper to provide the G.I. Bill advantages to Reservists and Guardsmen — and we think that it is — the provision should include the ability to acquire knowledge and skills through correspondence as well as with other methods.

RESERVISTS DESERVE THE CHANCE

Like their active duty counterparts, Reservists and National Guard members benefit greatly from the flexibility afforded by correspondence education opportunities.

They can study military subjects that are not offered by their local units, obtain refresher training and advance their military careers through incentives for education, including correspondence study promotion and retirement points.

The National Home Study Council urges that this productive use of correspondence training be extended for Reservists and Guard members who find it equally appropriate for their civilian educational needs, as well as their military training needs.

Retention in the Reserve will be encouraged. Reservists will be enabled to pursue academic degrees, study "high tech" subjects not available at local colleges and continue their lifelong education while remaining active in the Reserve. Reservists do not have to leave the Reserve or their jobs to "go back to school." The school comes to them.

OTHER PROVISIONS

Based upon the experience of the National Home Study Council with veterans training through correspondence -- well over a million veterans and service personnel studied by correspondence course during the period 1965-1975 -- the National Home Study Council supports several of the provisions in the Bills before the Committee.

The "forgiveness" of six credits is understandable because it is possible for someone in the flush of the enthusiasm of "going back to school" to make a mistake and overcommit themselves in the early part of their studies. Indeed, we have seen in correspondence education that many people take longer to complete a course than they had originally calculated. This can be an advantage.

Likewise, we believe that permitting tutoring is also beneficial because it will enhance the ability of the students through the education offered.

CONCLUSION

The National Home Study Council joins with the Senate Committee on Veterans' Affairs in saluting the men and women serving our country today.

The National Home Study Council believes that the Montgomery G.I. Bill will be measurably strengthened by the adoption of language which will enable Reservists to use their educational benefits to study by correspondence.

The National Home Study Council is also convinced that the financial penalty assessed to correspondence students (forty-five percent reimbursement of tuition) is totally unfair and should be eliminated.

Statement of Major General Evan L. Hultman, AUS (Ret.), Executive Director, Reserve Officers Association of the United States for the Senate Committee on Veterans Affairs concerning Legislation to amend Title 38, United States Code known as the Montgomery G.I. Bill--25 May 1988.

Mr. Chairman and Members of the Committee:

Thank you for providing this opportunity to represent the many men and women from all of the uniformed services who are members of the Reserve Officers Association (ROA).

ROA would also like to thank this Committee for the actions that it has taken in the past in providing educational opportunities for our military personnel, both active and reserve, and we appreciate having the opportunity today to comment on proposed legislative changes to this important program.

As you know, ROA worked with many of you to make the New GI Bill legislation a reality. We supported the test program which was established some four years ago. And again last year we worked with you in support of legislation to make the New GI Bill permanent legislation. We were most gratified to see the Congress enact and the President sign into law H.R. 1085 which provided for this permanent entitlement.

From all reports that the Reserve Officers Association has received, the new Montgomery GI Bill is having a positive impact on the quality of recruits entering both the active and reserve forces. As we have testified in the past, certain minor shortcomings are becoming evident which deserve further legislative attention. Thus, at our annual national convention last July, the membership endorsed the need for certain

improvements. A copy of that resolution (87-22), is attached to my testimony. The Reserve Officers Association, in Resolution 87-22, supports a legislative change which would permit reservists to use the Montgomery GI Bill for post graduate training. We believe this would be an incentive to attract and retain college graduates into reserve programs. In addition, we believe that the New GI Bill legislation should be modified to permit the refund of the member's costs if the service member, due to death or other cogent reasons, is unable to use the benefit. This legislative fix is contained in one of the bills you currently have under consideration, S. 1997. The last area that ROA went on the record as supporting is the recognition of on the job training, correspondence schools, and apprenticeships, as authorized programs under the New GI Bill. This aspect of ROA's resolution addresses the fact that there are many skilled, technically oriented positions with in the reserve where such training courses could be utilized to raise the overall effectiveness of the reserve components.

We realize that there are several other issues which the Committee will address in the bills presently before it (S. 820, S. 2307 and S. 1997). However, the Reserve Officers Association has not taken an official position on the other provisions contained in these proposals. We do recommend that this Committee work with the uniformed leadership of the services in adopting, rejecting, and/or modifying these other provisions so that the final legislative package presented to the Congress will best meet the personnel needs of the separate services, both in

their active and reserve components.

Thank you for the opportunity to present ROA's views. Your continued support of the men and women who are wearing and who have worn the uniform of our country, both active and reserve, is deeply appreciated.

1050 CONNECTICUT AVENUE, N. W.
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WASHINGTON, D. C. 20036
TELEPHONE (202) 223-9000

May 23, 1988

Honorable Alan Cranston
414 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Cranston:

On behalf of the many 1977 and 1978 service academy graduates who were retroactively excluded from the VA educational benefits being offered when we made our active duty service commitments in 1975 and 1976 respectively, I want to express our sincere gratitude for your sponsorship of S. 2383. Section 2 of S. 2383 will reinstate for most of us the original package of educational benefits we thought we were eligible for when we made our active duty commitments.

It is my understanding that 1978 ROTC graduates made active duty commitments prior to the 1976 GI Bill repeal very similar to the commitments made by 1977 and 1978 academy graduates. It has always been my personal position that the Federal Government should honor all legitimate expectations to GI Bill eligibility that may have factored into an active duty service commitment, regardless of whether those affected had been at an academy or attached to an ROTC unit when the commitments were made. On the other hand, in an effort to mold an enactable legislative cure for the most egregious cases of retroactive exclusion, I have focused my efforts on restoring eligibility to 1977 and 1978 service academy graduates, all of whom, notwithstanding the academy exclusion clause of Title 38, had been on active duty for 3 and 2 years respectively prior to the repeal of the GI Bill. Of course, I was more than glad to learn that S. 2383 would address all retroactively excluded cadets and midshipmen, ROTC and academy alike.

I would like to briefly address three issues: (1) the inequities involved; (2) the evidence that retroactive exclusion was never intended; and (3) the cost estimates for rectification. In summary, Section 2 of S. 2383 will remedy an inequitable situation resulting from a technical oversight in the 1976 GI Bill repeal. The rectification will cost very

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 May 23, 1988
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little and will send a very positive message to American servicemembers and veterans alike -- that the Federal Government will honor its commitments to all those who volunteer for active duty in the Armed Forces.

Inequities

Nobody disputes the fact that the 1976 retroactive exclusion of firmly committed servicemembers resulted in inequities. In fact, the Administrator of Veterans Affairs warned about this precise type of inequity in a letter to the Chairman of the House Committee on Veterans Affairs in July of 1975:

Many . . . men and women have enlisted in anticipation of receiving GI Bill benefits provided by current law. If they are not afforded this benefit, the Defense Department will have violated their advertised incentive and would, possibly, be obligated to release them from their active duty commitment.

H. Rep. No. 487, 94th Cong., 1st Sess. 22 (1975). Another Administrator of Veterans Affairs, Mr. Harry Walters, has recently endorsed passage of the House companion bill to Section 2 of S. 2383 (discussed below in a footnote) because of the "inequitable situation" resulting from the 1976 GI Bill repeal. In a letter last July to the Chairman of the House Veterans Affairs Committee, Mr. Walters stated:

The proposed bill does nothing more than restore G.I. Bill eligibility to those service academy cadets and midshipmen who had entered the armed forces and had made seven-year active duty commitments prior to the 1976 repeal. In many cases, these commitments were based upon, among other considerations, the induced expectation of G.I. Bill eligibility.

While it is quite clear from the legislative history that Congress did not intend to retroactively exclude any servicemembers from the Vietnam Era G.I.

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Bill, the 1976 repeal simply failed to address the issue of academy cadets and midshipmen. These veterans, at the very time the repeal was enacted, were fully fledged members of the armed forces, serving at the pleasure of the President. They are not seeking any special treatment. Nor is anyone suggesting that academy graduates be given G.I. Bill entitlement credit for their active duty at the service academies.

Letter from Harry N. Walters to The Honorable G. V. (Sonny) Montgomery (July 8, 1987).

In addition to the primary inequity -- retroactive exclusion from a service-inducing benefit -- Section 2 of S. 2383 will correct two collateral inequities. First, 1977 ROTC graduates are now eligible for educational benefits while most 1977 academy graduates are not. Ironically, this situation has occurred because most academy graduates had not affiliated with a reserve component prior to 1977 -- they were instead affiliated with an active component, i.e., their respective services through their appointment as active duty cadets or midshipmen at one of the service academies. The exclusion of academy graduates while grandfathering ROTC graduates bears no rational connection to the express purposes of the Vietnam Era GI Bill, one of which has always been to assist active duty servicemembers in their readjustment back to civilian life. Johnson v. Robinson, 415 U.S. 361, 378 (1974) ("the aim of the [Vietnam Era GI Bill] was to assist those who served on active duty in the Armed Forces to 'readjust' to civilian life"); see 38 U.S.C. § 101(21)(D) (1982) (service as a cadet or midshipman at one of the service academies is "active duty").

The other collateral inequity derives from the fact that 11 percent of all 1977 and 1978 service academy graduates are already eligible for the Vietnam Era GI Bill by virtue of "prior enlisted service." Most of those already eligible had enlisted for the sole purpose of attending one of the service academy preparatory schools. In other words, solely because those graduates went to an extra year of schooling (at government expense) those graduates are now eligible for GI Bill educational benefits while their classmates, who went straight to the academy, are not. There is no rational

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explanation for this disparate treatment of otherwise identically situated individuals. Section 2 of S. 2383 will correct this inequity.

Congressional Intent in 1976

Although there was no mention of academy or ROTC cadets and midshipmen in the repealing legislation (or its legislative history), the clear intent of Congress was to avoid any retroactive application of the repeal. This intent was spelled out most clearly by the then Chairman of the House VA Subcommittee on Education, Mr. Olin Teague, who asserted during floor debate that:

Nobody in the service today is affected.
It only affects those going in the first of
January or thereafter. If a conflict
develops, . . . Congress would immediately
pass another bill.

121 Cong. Rec. 31,835 (1975). This same clear intent was echoed by the President when he signed the repealing legislation into law: "The termination of the existing GI Bill program will not affect the eligibility of . . . those presently serving in the Armed Forces." Statement by the President on signing S. 969 Into Law (Oct. 15, 1976); see also Presidential Proclamation that May 7, 1975, is designated the last day of the "Vietnam Era" (May 7, 1975), reprinted in H.R. Rep. No. 487, 94th Cong., 1st Sess. 1-3 (1975) ("I want to emphasize that the termination actions will in no manner impair the eligibility for full wartime benefits of . . . those presently serving in our Armed Forces.").

Cost

The Congressional Budget Office projects the cost of S. 2383 to be "significantly less than \$1 million in any year, including the first year." As the Vietnam Era GI Bill expires at the end of 1989, there will barely be a year left by the time S. 2383 is enacted. The "significantly less than \$1 million" estimate, therefore, probably approximates the total cost as well.

I would like to mention two other points related to cost. First, the cost of educational benefits for firmly committed officer candidates in 1976 should already have been

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part of the projected VA budget. And second, the GI Bill typically pays for itself many times over in added tax revenues. See S. Rep. No. 1243, 94th Cong., 2d Sess. 26 (1976) ("For each dollar spent in educational benefits . . . the Federal Government has received from \$3 to \$6 in additional tax revenue from veterans whose education has given them increased earning capacity.").

In conclusion, I would like to mention that Congressman Robert Dornan introduced a slightly different companion bill to Section 2 of S. 2383 last fall in the House of Representatives. That bill, H.R. 3485, now has close to 50 co-sponsors, representing a broad spectrum of bipartisan support.*/ On behalf of those academy graduates affected by

*/ One of the differences between the House and Senate bills is that the Senate bill imposes a restriction on eligibility. Specifically, Section 2 of S. 2383 limits eligibility to those who "enrolled in the educational assistance program under Chapter 32 ["VEAP"]." This condition is apparently meant as an objective test of reliance, thereby limiting the scope of the rectification to those who have truly been frustrated by the retroactive exclusion.

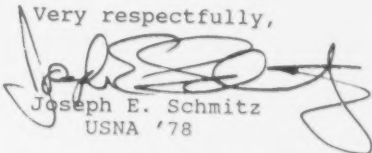
I applaud the Chairman's efforts to keep the cost of this legislation down to a bare minimum. I would offer, however, three points for consideration. First, in order to enroll in VEAP, an individual must contribute a significant amount of cash, typically \$2,700. 1977 ROTC graduates were not required to make such a contribution. While 1977 academy graduates and 1978 academy and ROTC graduates eventually recoup their personal contributions (in effect, their "educational assistance" amounts to two-thirds of what they receive in the form of a monthly benefit check -- the other one-third being their own contribution), the fact that they are required to make a substantial cash outlay while 1977 ROTC graduates are not means that at least one of the inequities, disparate treatment of similarly situated individuals, will not be fully rectified.

The second point is that as VEAP is a participatory program, restricting reimbursement to those who had contributed would discriminate against those who may need it most, i.e., (Footnote Continued)

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S. 2383 and H.R. 3485, I would extend our sincere gratitude to Senator Cranston and Congressman Dornan for their key roles in our effort to legislatively rectify what we believe was an oversight in the 1976 GI Bill repeal.

Very respectfully,



Joseph E. Schmitz
USNA '78

those who could not afford to participate. It is easily understandable that many young officers could not raise the required funds, especially if they were married and/or had young children to support.

The final point is that some members of the affected classes of academy graduates, on advice of counsel, did not sign up for VEAP in fear that this would compromise any future claim to GI Bill eligibility. These individuals have certainly demonstrated in an objective manner that they were frustrated by the retroactive exclusion.

Of course, we would prefer that there be no restrictions at all to the restored benefits. As a compromise, in the spirit of keeping the costs to an absolute minimum, we would respectfully recommend that the Administrator of Veterans Affairs be directed to grant an exemption to the currently proposed VEAP condition in cases where an individual can present other objective evidence of reliance, e.g., enrollment in a qualified program of education and evidence of actual out-of-pocket expenses that would have qualified for GI Bill assistance. Considering the small number of affected individuals and the closely approaching expiration date for all GI Bill eligibility, such an exemption would not substantially increase the cost of S. 2383 and would seem consistent with the Chairman's intent to limit the rectification to those who "demonstrated an interest in earning education benefits during their service."



**THE
RETIRED
OFFICERS
ASSOCIATION**

201 North Washington Street
Alexandria, Virginia 22314-2529
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STATEMENT OF

THE RETIRED OFFICERS ASSOCIATION

before the

of the

SENATE COMMITTEE ON VETERANS' AFFAIRS

Presented by

Commander John F. Wanamaker, USN, Retired
Deputy Director of Legislative Affairs

May 25, 1988

A Tradition of Service . . . Since 1929

Mr. Chairman and members of the Committee:

I am Commander John Wanamaker, USN-Retired, Deputy Director of Legislative Affairs for The Retired Officers Association (TROA), which has its national headquarters at 201 North Washington Street, Alexandria, Virginia. Our Association has a membership of more than 355,000 active duty, retired and reserve officers of the seven uniformed services. Included in our membership are 49,000 auxiliary members who are the survivors of former members.

I want to thank the committee for providing me this opportunity to provide our Association's views on various legislative proposals to make changes to the Veterans Administration's educational assistance programs. We wish to express our gratitude to the members of this 100th Congress and especially the members of this Committee for the enactment of P.L. 100-48 which made permanent the Montgomery G.I. Bill. Our Association believes that certain actions could be taken to make an excellent program even better.

S 1997

S 1997 currently before this committee for consideration, would modify the reduction in pay schedule for those participating in the Montgomery G.I. Bill program. We believe the \$1,200 contribution by a servicemember toward his/her future education demonstrates a good faith commitment and this feature should be maintained. However, the \$100 per month reduction in pay for some members is excessive. It is recommended that current law be changed to authorize an individual to participate in the program by spreading out the \$1,200 contribution payments over the length of his/her enlistment or length of obligated service. Provisions should also be made to provide the Service secretaries the flexibility to offer those serving on active duty since the initial effective date of the Montgomery G.I. Bill, and who originally elected not to participate, to reconsider enrollment. This flexibility could be limited to the requirement that the individual have obligated service remaining of at least 2 years, or that his/her

election be accompanied with an agreement to extend for at least 2 years of additional service following such elections.

Our Association further endorses the provisions of S 1997, Section 2, which would authorize a lump sum payment to the survivors of active duty participants who may die of a service connected cause, thereby making them unable to fully utilize the educational benefits of the program. We would further recommend that such lump sum payments be made to all participants, active duty or Reserve, whose deaths occur prior to completion of the education program. These payments should be made in all cases except when death may be attributable to willful misconduct. A limitation of 6 years from date of discharge or release from active duty should be an adequate period for an individual to utilize the educational benefits and payment of such lump sums to the survivors.

S 2383

Mr. Chairman, anytime a program such as the Veterans Administration's educational assistance program is established, the expectations of those who served in order to receive those benefits should be faithfully honored. Subsequently changing the rules, imposing delimiting dates, or terminating programs made it impossible for an individual to benefit from a program from which he expected to receive such benefits should be avoided. I would call to the Committee's attention two situations where arbitrary changes to VA educational assistance programs shattered the expectations of those few involved.

An example of such an abrupt change involves the members of the 1977 and 1978 classes at the various military academies. In 1976 the Vietnam Era G.I. Bill was repealed. This adversely affected those service academy cadets and midshipmen who had entered the Armed Services and had made seven year active duty commitments prior to the 1976 repeal. In many cases, these commitments were based upon, among other considerations, the expectations of G.I. Bill eligibility. While it is quite clear from the legislative history that Congress did not

intend to retroactively exclude any servicemember from the benefits which they were led to believe they would receive, the 1976 repeal inadvertently failed to protect the interests of the academy cadets and midshipmen. In the last Congress, the Veterans Administration submitted legislation, with the support of the Administration, to correct this inequity. However, for reasons unknown, no actions were taken. S 2383 which has been introduced in this session would restore the educational benefits which were taken from those few through oversight. We strongly encourage the committee to act favorably on S 2383.

Another small group of servicemembers who are forced to separate prior to June 30, 1988 are only eligible for Chapter 34 benefits, which terminate on December 31, 1989. In certain cases they are prevented from serving on active duty for the required 3 years between July 1, 1985 and July 1, 1988, are therefore ineligible for benefits of the Montgomery G.I. Bill. In fact, servicemembers with as little as 3 years of service will receive greater educational benefits than others who may have served for 30 or more years. We strongly recommend that individuals, who through no fault of their own (e.g. separation for high year of tenure) can not meet the three year service required, be provided eligibility under the Montgomery G.I. Bill.

Mr. Chairman, this concludes my statement. I will attempt to answer any questions that the Committee members may have.

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American Ex-Prisoners of War

CONGRESSIONALLY CHARTERED

NATIONAL CAPITAL OFFICE

(202) 275-1500

VARO - Room 5108

941 North Capitol Street, Washington, D.C. 20421

May 25, 1988

The Honorable Alan Cranston
United States Senate
Washington, DC 20510

Dear Senator Cranston,

The American Ex-Prisoners of War, speaking for nearly eighty thousand ex-prisoners of war, are deeply appreciative of the opportunity to express our view on S.1997, S.820, S.2307 and S.2383.

Since these bills all address the same general subject, we will take the liberty to address them collectively rather than individually.

The future of our country, and for that matter the whole free world depends, to a large extent, on our ability to maintain a standing military comprised of men and women having the highest of capability, and moral integrity above reproach. The Montgomery C.I. Bill has allowed us to attract and maintain this type of individual. Each of the bills designated will, to some extent, allow the extension of this capability.

We are certain that as time passes, there will be other areas where it becomes advisable to expand the present Montgomery Law beyond what these bills will do, but for the present, we are supportive of these actions.

Sincerely,

Charles M. Williams
Executive Director

WE EXIST TO HELP THOSE WHO CANNOT HELP THEMSELVES.



STATEMENT OF
NOEL C. WOOSLEY
AMVETS NATIONAL SERVICE DIRECTOR

Before The

COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE

On

S.1997 "Montgomery GI Bill Amendments of 1988"

S.820 "Veterans' Education Amendments of 1987"

S.2307 "Veterans' Education Assistance Improvements Act of 1988"

S.2383 "Veterans' Education Benefits Amendments Act of 1988"

10:00 a.m., May 25, 1988

Room 418, Russell Senate Office Building

Mr. Chairman, AMVETS is pleased to present its views on the bills enumerated in your letter of May 4, 1988, and I shall address them in the order set forth in said invitation.

As you are aware, AMVETS is currently the only major Congressionally Chartered veterans organization which accepts as members, all persons who have served and are now serving honorably in our armed forces since the beginning of World War II. The recurring role of our military in such far away places as Lebanon, Granada, Libya, the Persian Gulf, Central America, Europe, Korea and elsewhere in an increasingly dangerous world where terrorism abounds and makes the wearing of our military uniforms even here in the United States hazardous to ones health, totally justifies affording our so called "peacetime" veterans some of the entitlements enjoyed by our veterans who served in the past.

Now that our post Vietnam veterans have achieved some of the recognition due them via the New GI Bill, it is only fitting that we are here today in an effort to expand and improve on an already proven quality product. AMVETS supports the two-pronged legislative initiative outlined in S.1997 as our Executive Director, Morgan Ruph, also participated in the fact-finding tour that Senator Cranston referred to when he introduced S.1997 (for himself, Mr. Matsunaga, Mr. DeConcini, Mr. Mitchell, Mr. Rockefeller, Mr. Graham, Mr. Kennedy and Mr. Cohen.)

Having had the opportunity to hear first hand the concerns of the recruits and training officers, or one might say those who are directly affected, enables AMVETS to encourage the passage of legislation that would enhance and improve the "Montgomery GI Bill."

It should be noted that S.1977 also proposes to eliminate an apparent injustice, which AMVETS feels sure was nothing more than an oversight in the original legislation, with respect to those men and women who should, through no fault of their own, lose their lives while on active duty. The current law which restricts the refunding of any basic-pay withholdings of any and all who participate must be changed to exempt those participants who give the final sacrifice in service to their country; that being a service-connected cause of death.

While we fully support the payment of the individual service persons withheld amount of base pay to their designated beneficiaries and that this provision must take effect retroactively, we have some concern as to the ranking of survivor payment. Perhaps the beneficiary or beneficiaries designated by such individual under such individual's serviceman's group life insurance policy should be listed first, thus allowing the individual the opportunity to specify who should receive payment. We note that this was the case in H.R.3208 which also addressed repayment of these withholdings to those individuals who are determined by the Administrator as to be so physically or mentally disabled that

they would be unable to utilize such educational assistance. AMVETS feels that the disability provision found in H.R. 3208 has merit and should be incorporated in S. 1997.

S. 820 introduced by Senator Daschle which if passed would authorize the pursuit of flight training for those active duty service members and reservists who participate in the New GI Bill. While on the surface S. 820 may seem somewhat inconsequential, AMVETS views it as another important step to provide our post Vietnam veterans with more of the educational opportunities many of us enjoyed. Americas need for qualified pilots was eloquently articulated when Mr. Daschle addressed his reasons for introducing this legislation before the Senate on March 24, 1988. We at AMVETS hope that in fact S. 820 has been crafted so as not to become a recreational tool as was all too often the flight training scenario of the past. Here again, we note similar legislation was introduced in the House (H.R. 2950) and we would hope that the minor differences will be worked out and flight training will be approved under the New GI Bill.

S.2307: As this proposed legislation is quite lengthy and covers many different areas of consideration, we shall address each proposed change in the order they appear in the Congressional Record - Senate, under the heading Section-By-Section Analysis.

Title I - Educational Assistance-Program Improvements

Section 101 - AMVETS supports the proposed changes found in Section 101.

Section 102 - AMVETS cannot support the proposed changes in this section based on our belief that if the military accepted the individual into the armed forces based on an equivalency certificate, then that individual has the same rights and privileges as any other active duty person.

Section 103 - AMVETS supports this proposed change.

Section 104 - AMVETS supports this proposed change.

Section 105 - AMVETS supports this proposed change and notes we have a National Resolution mandate which addresses this very subject.

Section 106 - AMVETS supports this proposed change which will insure that all incarcerated veterans are treated equally with respect to VA Education Benefits.

Title II - Administrative Provisions

Section 201 - AMVETS perceives this as an equitable way to calculate training time and if it simplifies the current way of calculating actual training time the VA should realize added man hours.

Section 202 - AMVETS supports this proposed change and sees a real need for the continued existence of the Administrator's Education Advisory Committee.

Section 203 - AMVETS supports this proposed change to insure every possible opportunity is afforded each individual to insure successful completion of their selected program.

Section 204 - AMVETS supports the various changes herein

as we find nothing adverse and in fact will correct some iniquities that currently exist.

Section 205 - AMVETS supports the inclusion of the Deputy Assistant Secretary of Military Personnel and Force Management as an ex-officio member of the Commission to Assess Veterans' Education Policy.

S.2383 "Veterans' Education Benefits Amendments Act of 1988"

AMVETS generally supports the legislative proposals as outlined in S.2383 and enthusiastically supports section 4, which deals with Tutorial Assistance. With respect to Section 2, we wonder if the measure of equity provided for will compensate for the potential adjudicative nightmare.



421 Aviation Way, Frederick Municipal Airport, Frederick, MD 21701, Telephone (301) 695-2000/Telex 89-3445

June 3, 1986

The Honorable Alan Cranston
Chairman
Committee on Veterans Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

Enclosed please find the Aircraft Owners and Pilots Association's answers to the questions you submitted following the Committee's hearings on May 25, 1988.

We appreciate the opportunity to provide this information for the record.

Sincerely,

A handwritten signature in dark ink, appearing to read "John L. Baker", is written over the typed name and title.

John L. Baker
President

Encl.

Q.1. Please provide your views on the Association of the U.S. Army's proposal, on page 2, of its written testimony, to amend the proposal in section 103 of S. 2307 -- which would generally restore the amount of the basic pay reduction under chapter 30 for a service member who, due to pre-existing medical condition, is discharged before meeting the length-of-service requirement under chapter 30 -- so as to provide the individual with chapter 30 entitlement equal to the number of months of the individual's chapter 30 pay reduction.

A. 1. While there are members of our Association who are veterans and would thus be affected by these provisions, AOPA's commitment to its members is to represent their interests in issues relating directly to aviation. These provisions are outside our area of representation.

Q. 2. Please provide your views on the proposal on page 6 of the PVA testimony that remedial, refresher, and deficiency courses under chapters 30, 32, and 35 of title 38 and chapter 106 of title 10 be amended to permit an individual to receive payment for such a course without a charge to entitlement.

A. 2. The Aircraft Owners and Pilots Association prefers to answer this question only in the context relating to aviation flight training benefits. First, AOPA supports the concept of extending the Montgomery GI bill to include refresher training. In the case of aviation, AOPA feels a refresher program should only be made available to those people holding commercial instrument ratings, or higher, prior to entering military service. Second, AOPA supports the concept of charging this refresher training against entitlement. AOPA believes there should be no appearance of loopholes in a restored Veterans Flight Training Program.

Q. 3. With respect to S. 820, please explain specifically how you believe the provisions of this bill would prevent the use of this program by beneficiaries for recreational and avocational, rather than, vocational purposes.

A. 3. Senator Daschle's bill includes several safeguards against abuse. First, any applicant to the program must already possess a valid private pilot's license. The acquisition of a private pilot's license represents a serious commitment of time and money. To obtain a private pilot's license, one must attend and graduate from an accredited ground school, pass a Federal Aviation Administration written exam, spend an average of 50-60 hours in instruction/flying time, and then pass the FAA flight test. The minimum cost of such a program is three thousand dollars.

In addition to already possessing a private pilot's license, the applicant must meet the medical requirements for a commercial pilot's license and be prepared to enroll in a program that meets the stringent requirements set in part 141 of the Federal Air Regulations. The state-approving agency must certify that the intended training is for vocational purposes. Finally, by lowering the percentage of compensation from 90% to 75% we believe that only the most serious applicants will enter the programs.

There is no guarantee that every participant in the program will pursue a career directly related to aviation. AOPA would respectfully point out that every veteran receiving a degree in history will not go on to a career as an historian. One thing is for certain, you cannot enter a career in aviation without at least a commercial rating. A private pilot's license by itself is by law insufficient.

A 1979 GAO study concluded that 16% of veterans receiving flight training benefits pursued careers in aviation. If one looks at GAO's methodology in making that determination, their conclusions are quite misleading.

GAO reached their determination by using IRS records, counting only as aviation-related professions those listed as professional pilots or airline pilots. What would have GAO percentages been if they had used such criteria against various liberal arts degrees such as history, English, or foreign languages? Aviation, like a liberal arts degree, has a great utility beyond the scope of direct application.

In a testimony to the House Veterans' Committee in 1985, AOPA Senior Vice President stated "It allows a businessman to expand his time, to make himself more profitable and more useful. He doesn't have to be a professional pilot to use that training. I'll use myself as an example. Every April 15th when I rush down to the Post Office to file my income tax return, I just scribble in my occupation as association representative, but through the benefit of veteran's training, I received both a masters degree in business administration and several advanced pilot certificates. I could not have gotten the job I have today, that I have held for over 5 years now, without those two particular types of education, yet by looking at my occupation, there is no way to tell that I had any relationship with aviation, so I challenge the GAO report from that standpoint."

S. 820 is an important step toward reducing the pilot shortage projected into the 1990's. Senator Wendell Ford, Chairman of the Aviation Subcommittee and co-sponsor of the bill, stated "Veterans should be the first to fill the 30,000 pilot jobs that will be available in the 1990's. This bill fulfills two great needs - a way to ease the pilot shortage crisis and provides a great employment potential for veterans."



Joint Commission
On Federal Relations

May 25, 1988

The Honorable Alan Cranston
U.S. Senate
112 Hart Senate Office Building
Washington, D.C. 20510

Dear Mr. Chairman:

In response to questions raised during today's hearing on Montgomery GI Bill amendments for which written replies were requested, we support the recommendation of the Non-Commissioned Officers Association (NCOA) that enrollment in the permanent MGIB be opened on a "one time basis" to otherwise eligible military personnel who declined the program when it was a three-year pilot. Because the program is no longer experimental and because the sign-up rules could be changed in several ways by the amendments, it seems eminently fair to offer such personnel this second chance.

We also urge the approval of the NCOA's proposal that personnel who participated in the Veterans Educational Assistance Program (VEAP) be allowed to convert their VEAP plan into MGIB benefits.

The Committee addressed two additional questions to us in writing, which we are pleased to answer:

1. As the Association of the U.S. Army proposes, service members who have been making payroll contributions to the Chapter 30 program and who, for pre-existing medical problems, are discharged from the military before completing their enlistment should as a matter of equity be entitled to Chapter 30 benefits equal to the number of months covered by their payroll contributions. These enlistees entered their military commitment in good faith, and that commitment deserves this respect.
2. The Paralyzed Veterans Association makes an excellent case for extending benefit coverage to remedial and refresher courses. As the Nation's largest provider of such services on the adult level, community colleges surely support that concept for veterans, provided the law includes safeguards against abuse. Perhaps in the national interest

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The Honorable Alan Cranston - 2

May 25, 1988

the law should preclude payment for such courses if they duplicate courses that were reimbursed by tuition assistance during the service member's active duty. We leave specific safeguards to the wisdom of the Committee.

Thank you again for your efforts to sharpen this enormously important program.

Sincerely,

A handwritten signature in cursive script, appearing to read "Frank", written in dark ink.

Frank Mensel
Vice President for Federal Relations, AACJC
Director of Federal Relations, ACCT

FM:egd

cc: The Honorable Spark Matsunaga
Joint Commission on Federal Relations

Answers to written questions to the
American Association of State Colleges and Universities
in connection with the Committee on Veterans' Affairs
May 25, 1988, Hearing

1. Please provide your views on the Association of the U.S. Army's proposal, on page 2 of its written testimony, to amend the proposal in section 103 of S. 2307 — which would generally restore the amount of the basic pay reduction under chapter 30 for a service member who, due to a pre-existing medical condition, is discharged before meeting the length-of-service requirement under chapter 30 — so as to provide the individual with chapter 30 entitlement equal to the number of months of the individual's chapter 30 pay reduction.

I agree with the U.S. Army's proposal on page 2 of its written testimony to amend the proposal in section 103 of S. 2307 to provide the individual with chapter 30 entitlement equal to the number of months of the individual's chapter 30 pay reduction.

2. Please provide your views on the proposal on page 6 of the PVA testimony that remedial, refresher, and deficiency courses under chapters 30, 32, and 35 of title 38 and chapter 106 of title 10 be amended to permit an individual to receive payment for such a course without a charge to entitlement.

I agree with the proposal on page 6 of the PVA testimony that remedial, refresher, and deficiency courses under chapters 30, 32, and 35 of title 38 and chapter 106 of title 10 be amended to permit an individual to receive payment for such a course without a charge to entitlement.

3. Would you please state your views on the Retired Officers Association proposal, on page 1 of its written testimony, that servicemembers who elected not to participate in the Montgomery GI Bill be given a one-time, second chance to enroll in chapter 30 if they make a commitment of additional years of service or agree to a pay reduction?

I would recommend the substitution of the word "and" for the word "or" so that the last part reads "...if they make a commitment of additional years of service and agree to a pay reduction."

4. Would you please state your views on the N.C.O.A.'s proposal, on page 2 of its written testimony, to give current servicemembers who are eligible for chapter 32 an opportunity to enroll in chapter 30 on the basis of a commitment of additional years of service or have a pay reduction.

I would recommend the substitution of the word "and" for the word "or" so that the last part reads "...on the basis of a commitment of additional years of service and have a pay reduction."

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American Ex-Prisoners of War

CONGRESSIONALLY CHARTERED

NATIONAL CAPITAL OFFICE

(202) 275-1500

VARO - Room 9109

941 North Capital Street, Washington, D.C. 20421

June 3, 1988

Senator Alan Cranston

Chairman, Committee on Veterans' Affairs

Room 414, Russell Senate Office Building

Washington, DC 20510

Dear Senator Cranston:

Thank you for offering us the opportunity to comment on testimony offered before the Veterans Affairs Committee on May 25, 1988.

Although the American Ex-Prisoners of War have not taken an official position on Section 103 of S.2307, I would support fully the views of Colonel Smith on the matter. The military had full opportunity upon entry to active duty to address pre-existing conditions, and failure to do so should not be prejudicial to the service member unless fraud is involved.

In respect to PVA's testimony on Section 203, we would not take any firm position. This law was passed to attract quality people to the military, and that it does. The proposal, I believe, would bring in somewhat less qualified individuals with potential to be brought up to par, and this is something I am not qualified to address.

If we can be of any service, please feel free to call upon us.

Sincerely,

Charles M. Williams
Executive Director

CHM/mpr

WE EXIST TO HELP THOSE WHO CANNOT HELP THEMSELVES.



ASSOCIATION OF THE UNITED STATES ARMY

2425 WILSON BOULEVARD, ARLINGTON, VIRGINIA 22201-3385 (703) 841-4300

Q1. Please provide your views on the proposal on page 6 of the PVA testimony that remedial, refresher, and deficiency courses under chapters 30, 32 and 35 of title 38 and chapter 106 of title 10 be amended to permit an individual to receive payment for such a course without a charge to entitlement.

A1. We concur in the view of the Administrator of Veterans Affairs that chapters 30, 32 and 35 of title 38 and chapter 106 of title 10 be amended to permit eligible beneficiaries the opportunity to receive payment for remedial, refresher and deficiency courses at an appropriate charge to entitlement.

Q2. With respect to S. 820, please explain specifically how you believe the provisions of this Bill would prevent the use of this program by beneficiaries for recreational and avocational, rather than, vocational purposes.

A2. A major purpose of the Montgomery GI Bill is to provide a readjustment tool to aid American armed forces veterans in transitioning to a new career in the civilian, or private, sector. We believe the new subsection (d) to Sec. 2 of S. 820 contains provisions to regulate program use for vocational objectives. These provisions are explained in further detail in remarks by Senator Daschle which appear on page S3732, the Congressional Record-Senate, 24 March 1987.





ASSOCIATION OF THE UNITED STATES ARMY

2425 WILSON BOULEVARD, ARLINGTON, VIRGINIA 22201-3385 (703) 841-4300

Q1. Would you please state your views on the Retired Officers Association proposal, on page 1 of its written testimony, that service members who elected not to participate in the Montgomery GI Bill be given a one-time, second chance to enroll in chapter 30 if they make a commitment of additional years of service or agree to a pay reduction?

A1. We do not favor expanding the purposes of the Montgomery GI Bill beyond the present two:

a) To serve as a recruiting tool and attract high quality young men and women to serve in the Armed Forces;

b) To provide a readjustment tool for those who have served to make a career transition at the end of military service.

Each Service, most especially the Army, needs to maintain control over its Reenlistment Program so that performance-oriented soldiers possessing leadership potential and the required skills are targeted for retention. Incentives, other than the GI Bill, are needed in select cases to reenlist eligible service members.

Q2. Would you please state your views on the N.C.O.A.'s proposal on page 2 of its written testimony, to give current service members who are eligible for chapter 32 an opportunity to enroll in chapter 30 on the basis of a commitment of additional years of service or have a pay reduction.

A2. In October 1987, Lt. General Anthony Lukeman, USMC, Deputy Assistant Secretary of Defense for Manpower and Personnel policy testified before a House Subcommittee* that, of the 1,237,000 original



service members who enrolled and contributed to VEAP, approximately 471,000 had not used their benefit. It would seem equitable to roll this number into the current group of Montgomery GI Bill participants, except that the VEAP group -- in recognition of this disparity of program benefits -- was allowed to disenroll and receive a full refund of contributions.

Having once been so-recognized, in an attempt to correct the entitlements inequity, we believe it inappropriate now to reopen the issue once more for the potential benefits of 38 percent of the original VEAP enrollment group.

*House of Representatives' Subcommittee on Education, Training and Employment, Committee on Veterans' Affairs, Thursday, 15 October 1987.

WRITTEN QUESTIONS FROM CHAIRMAN CRANSTON TO
SECRETARY DUNCAN AND THE RESPONSES

FLIGHT TRAINING FOR MONTGOMERY GI BILL-RESERVE

QUESTION: Secretary Duncan, page 9 of your statement suggests, as we read it, that payment for flight training for Reservists under S. 820 would be contrary to retention of Reservists because flight training costs would quickly exhaust an individual's total entitlement -- leaving him or her with no future educational needs for which to earn entitlement through service in the Reserves. Why do you not believe that the original Reserve commitment and the penalties under section 2135 of title 10 -- which include financial penalties and the possibility of active-duty orders -- would be adequate to ensure fulfillment of the commitment?

ANSWER: The need for a penalty provision, such as that contained in section 2135 of title 10 for persons who fail to complete their obligated Selected Reserve service after receiving Montgomery GI Bill benefits, acknowledges that some persons will fail to honor their obligations. Although this office has not received indications that recoupment is a significant problem under chapter 106, title 10 (the Montgomery GI Bill-Reserve), we are presently gathering data specifically for the purpose of assessing the magnitude of the recoupment requirement. In advance of that data, however, some additional observations can be made.

Any recoupment effort is unfortunate. By definition, it is an attempt to salvage what is at least a partial failure. There are administrative costs associated with recoupment efforts and, in at least some cases, collection efforts will be futile.

Experience under the Selected Reserve bonus programs is relevant to your inquiry. Recoupment actions are a standard requirement in the bonus programs. To reduce the problem of individuals receiving large bonuses up front and then failing to complete their reserve service obligation, the Army restructured its Selected Reserve Reenlistment Bonus in July 1986 to pay a smaller initial payment with larger anniversary payments.

Finally, an incentive is defined as something which incites a determination or action. Once the incentive has been received, however, its motivational value is greatly diminished. Other values (sense of responsibility, honor, etc.) and fear of punishment (recoupment, involuntary active duty, etc.) operate thereafter to ensure completion of any obligation attendant upon the incentive received. If the punishment factors are impractical or ineffective to forestall defaults, recoupment actions will be required. It is much better to

avoid this process to the extent possible.

Preserving an incentive's value by pacing its receipt more closely with the obligations incurred thereby is a logical and effective means of minimizing the scope and frequency of recoupment actions, whether the incentive is an educational entitlement under the Montgomery GI Bill-Reserve, or a Selected Reserve bonus. This is one of the reasons why the Department does not support authorizing flight training.



FLEET RESERVE ASSOCIATION

Representing All Enlisted Personnel of the
U.S. NAVY ☆ U.S. MARINE CORPS ☆ U.S. COAST GUARD

1303 New Hampshire Avenue, N.W., Washington, D.C. 20036 • (202) 785-2768

31 May 1988

The Honorable Alan Cranston
Chairman
Committee on Veterans Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Thank you for the opportunity to place our views on veterans educational benefits i.e., S.1997, S.820, S.2307 and S.2383 before your Committee on 25 May 1988. I appreciate the questions which your staff presented to me at the conclusion of my testimony. I also received your letter of 25 May 1988 containing the two additional questions. It is the Fleet Reserve Association's privilege to comment on the specific proposals you outline made by the AUSA, PVA, S.820, TROA and the NCOA.

After re-examining the language of Section 103 of S.2307, the Fleet Reserve Association fully agrees with the position taken by the AUSA and endorses AUSA's recommendation "that the bill be amended to guarantee that educational assistance benefits are provided for these service members."

Based upon the information we have learned since we submitted our testimony on 20 May 1988 we can appreciate the position of the Paralyzed Veterans of America on the provisions of Section 203 of S.2307. It is obvious to the FRA that the most practical and equitable way to achieve a uniform policy for treating remedial, refresher, and deficiency courses would be as the PVA proposes, "to create uniformity in all education programs by not changing entitlement when an individual enrolls in a remedial, refresher, or deficiency course."

The FRA reviewed the provisions of S.820 since U.S. Senator Daschle introduced it on 24 March 1987. We could not determine from his floor comments on 24 March, "I have taken care to craft this bill in such a manner that discourages the use of flight training for avocational purposes," just how he did this.

However, knowing of U.S. Senator Daschle's in-depth knowledge, practical and professional administration of veterans benefits from his years of service on the House Committee on Veterans Affairs, we knew he had addressed the matter. Upon our first reading of S.820 we saw the key provision that accomplished this, S.820's newly proposed language in Subsection (d)(c)(2) requiring the veterans possess "...a valid private pilot's license and meets the medical requirements necessary for a commercial pilot's license..." Further, U.S. Senator Daschle's clear, rational and compelling statement before the Committee on May 25, 1988 resolved any question the FRA may have had on this point.

On the Retired Officers Association's proposal to permit service members who elected not to participate in the Montgomery G.I. Bill be given a one-time, second chance to enroll in Chapter 30 if they make a commitment of additional years of service or agree to a pay reduction, the FRA has mixed emotions. Our emotions stem from the fact that throughout the past ten to twelve years of legislative history of veterans educational benefits, active duty military personnel have been utterly confused by overlapping educational benefits schemes i.e. the Cold War G.I. Bill, the VEAP, the Veterans Educational Assistance Act of 1983, and the Montgomery G.I. Bill. It is small wonder that a service member chose not to participate in one plan over the other with the U.S. Congress changing the programs every two years. Therefore the FRA feels very strongly that every service member still serving on active duty, particularly, the military careerist should have the optional benefit of enrolling in the current Montgomery G.I. Bill if he chooses to do so. The service member's dedicated and faithful service to this nation should entitle him to his personal option of educational benefits, no questions asked!

However, the FRA endeavors to live in the real world and we know that successful legislation is achieved by compromise. Therefore, if the Congress in its wisdom feels it must apply a commitment of additional service to provide enrollment to the service members, the FRA quickly agrees to that condition. In the final analysis, FRA fully supports the TROA position in this matter.

The position outlined on page 2 of the Non-Commissioned Officers Association statement is in essence, FRA's position regarding the future enrollment of VEAP eligibles in Chapter 30.

FRA fully concurs with NCOA that "open enrollment" upon reenlistment will encourage people to continue in service and establish a measure of equity to those who are unable to participate upon initial entry into service.

The Honorable Alan Cranston

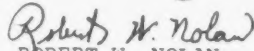
31 May 1988

Page 3

The FRA wholeheartedly supports the NCOA's position and urges the U.S. Senate to send all personnel on active duty in the military the message that it intends for educational benefits to be awarded to all equitably by adopting such a provision to accomplish FRA's goals on conditions the Committee may deem appropriate.

Thanking you for giving us this opportunity to express our positions on the proposals of our colleagues, I remain in

Loyalty, Protection and Service,



ROBERT W. NOLAN

National Executive Secretary

RWN:aaw

WRITTEN QUESTIONS FROM CHAIRMAN CRANSTON TO
GENERAL LUKEMAN AND THE RESPONSES

Question: Section 1411(a)(1)(A)(ii)(II) of title 38 provides that an individual who is otherwise eligible for chapter 30 benefits but who does not meet the general length-of-service criteria is eligible if he or she (a) is discharged for the convenience of the Government, and (b) has completed not less than 20 continuous months of active duty if the period of obligated service was less than 3 years or completed not less than 30 continuous months of active duty if the period of obligated service was at least 3 years. Please provide data for each of the past 3 fiscal years, broken down by service branch, as to the numbers of persons discharged from active service for the convenience of the Government who do not fit into the category of 20 months of service on a less than 3-year enlistment or 30 months of service on an enlistment of 3 years or more?

Answer: The numbers of Service members, by Service, discharged from active duty during each of the past 3 fiscal years for the convenience of the Government with less than 20 months of service on a less than 3-year enlistment or 30 months of service on an enlistment of at least 3 years are as follows:

	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
ARMY	9,003	10,974	10,819
NAVY	7,225	8,784	8,936
AIR FORCE	7,144	6,504	5,963
MARINE CORPS	2,705	3,668	3,476
TOTAL	26,077	29,930	29,194

Question: General Lukeman, the NCOA, on page 2 of its testimony, and the Retired Officers Association, on page 3 of its testimony, propose that MGIB entitlement be extended to veterans who have chapter 34 entitlement and who, solely by reason of the DoD's so-called "high year of tenure" or "high tenure policy", are unable to earn the special added MGIB entitlement by virtue of serving continuously on active duty from October 19, 1984, through, June 30, 1988.

A. Please explain how this tenure policy works.

B. Does it apply to each of the service branches and the Marine Corps?

C. When was this policy prescribed?

D. What are DoD's views on this proposal by the two organizations?

Answer: A. Through tenure policy, the Services establish what can be referred to as "up or out" points. These phase points vary somewhat across the Services, but can best be illustrated by the Army's policy inasmuch as its rigor equals or exceeds the policies of the other Services. A soldier normally advances to pay grade E6 at 7.5 years of service. If he or she is not advanced to that grade within 11 years of service, that soldier is involuntarily separated because 11 years of service is the high year of tenure for pay grade E5.

B. All 4 Services have a high year of tenure policy.

C. Service high year of tenure policies have been in effect since at least 1968. Occasional adjustments to the specific details of the policies have been made periodically as required by force structure changes.

D. The Department supports providing the MGIB entitlement to veterans who (1) have Chapter

34 entitlement and served continuously on active duty from October 19, 1984 through December 31, 1987 and (2) were separated from the service involuntarily between January 1, 1988 through June 30, 1988 with a convenience of the Government discharge based on high year of tenure policy. DoD does not support providing the MGIB entitlement to those who separated voluntarily prior to June 30, 1988, or to those who separated prior to December 31, 1987 regardless of whether the discharge was voluntary or not. Those individuals had the opportunity to use Chapter 34 entitlements while on active duty, had substantial advance notice of the intent to terminate this program, and remain eligible for Chapter 34 entitlements until December 31, 1989. The DoD position concerning the group of veterans separated prior to December 31, 1987 is the same as that for all MGIB participants who are ineligible for educational benefits because of failure to meet length of service requirements.

Question: General Lukeman, the Retired Officers Association proposes, on page 1 of its statement, that servicemembers entering active duty after July 1, 1985, who elected not to participate in the Montgomery G.I. Bill, be provided a one-time opportunity to enroll in the program in such a manner that, for example, enrollment would be accompanied with an agreement to extend for at least two years or additional service following such an enrollment. What are the Defense Department views on this proposal?

Answer: The Administration ~~position~~ opposes this proposal. The Montgomery GI Bill is not intended to serve as a retention tool. This proposal would duplicate existing retention incentives and is, therefore, unnecessary.

Question: In section 104 of S. 2307, the VA proposes that an individual with MGIB eligibility under section 1412 who is discharged from the Selected Reserve due to disability be afforded the opportunity to elect to receive benefits under section 1411 instead, which may provide the veteran with a greater number of months of entitlement. Should not the same opportunity be given those discharged for hardship?

Answer: A Montgomery GI Bill participant who completes the 2-year active duty MGIB program is entitled to 36 months of benefits at \$250 per month for a total of \$9000. A participant who completes the 2-year active duty plus 4-year Selected Reserve (2x4) MGIB program is entitled to 36 months of benefits at \$300 per month for a total of \$10,800. The 2x4 program participant earns one month of benefits for each of his or her 24 months of active duty, plus one month of benefits for each four months of Selected Reserve duty. Thus, a 2x4 program participant who is discharged for disability after serving, for example, 2 years of active duty plus 8 months of Selected Reserve duty would be entitled to 26 months of benefits at \$300 per month for a total of \$7800. It appears inequitable that a Service member who serves 2 years of active duty plus 8 months of Selected Reserve duty should receive \$1200 less in benefits than a member who serves only 2 years of active duty, considering that the discharge for disability was through no fault of the member. For this reason, DoD supports affording this member the opportunity to elect to receive benefits under either section 1411 or 1412. Because a hardship discharge also involves no fault of the member, DoD supports affording a 2x4 program participant, who receives this type of discharge, with the same opportunity to elect to receive benefits under either section 1411 or 1412.



NATIONAL ASSOCIATION FOR UNIFORMED SERVICES
SOCIETY OF MILITARY WIDOWS

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*Active Duty, unless otherwise
in military status

June 3, 1988

The Honorable Alan Cranston
Chairman, Committee on Veterans' Affairs
United States Senate
Washington, D.C. 20510-6375

Dear Mr. Chairman:

Responses for follow-up questions relating to the May 25, 1988
hearing on the Montgomery G.I. Bill are enclosed.

I want to thank you again for providing us the opportunity to
testify and your long and consistent support for our nation's
veterans.

Sincerely,

Charles C. Partridge
CHARLES C. PARTRIDGE
Colonel, USA (Ret)
Legislative Counsel

CCP:kmc

Written Questions for the National Association
for Uniformed Services

1. Please provide your views on the Association of the U.S. Army's proposal, on page 2 of its written testimony, to amend the proposal in section 103 of S. 2307 -- which would generally restore the amount of the basic pay reduction under chapter 30 for a service member who, due to a pre-existing medical condition, is discharged before meeting the length-of-service requirement under chapter 30 -- so as to provide the individual with chapter 30 entitlement equal to the number of months of the individual's chapter 30 pay reduction.
2. Please provide your views on the proposal on page 6 of the PVA testimony that remedial, refresher, and deficiency courses under chapters 30, 32, and 35 of title 38 and chapter 106 of title 10 be amended to permit an individual to receive payment for such a course without a charge to entitlement.
3. With respect to S. 820, please explain specifically how you believe the provisions of this bill would prevent the use of this program by beneficiaries for recreational and avocational, rather than, vocational purposes.

RESPONSES BELOW KEYED TO WRITTEN QUESTIONS ATTACHED.

1. Concur with the Association for U.S. Army's proposal providing an education entitlement equal to number of months of the individual's Chapter 30 pay reduction.
2. Non-concur with FVA proposal to authorize remedial, refresher, and other training without charge to entitlement. The military services offer a wide range of in-service educational opportunities to the members of the Armed Forces both on and off duty. Servicemembers can take advantage of these high-school and college courses without expanding the entitlement under the G.I. Bill.
3. There are several provisions in S.820 that will screen out the avocational aviator.
 - The requirement that the applicant possess a valid private pilot's license, means that the veteran must invest \$3000 to \$4000 in training before undertaking commercial license training. This coupled with the cost-sharing feature will screen out many students.
 - Need to meet commercial pilot medical requirements will limit participation.
 - Requirements that courses meet state approved and FAA standards will prevent cut-rate, fly-by-night operators from conducting the training, thus insuring that costs are sufficiently high to discourage avocational students.

Follow-up Questions Submitted by Senator Alan Cranston
to the National Association for Uniformed Services
in Connection with the Committee on Veterans' Affairs
May 25, 1988, Hearing

May 25, 1988

1. Would you please state your views on the Retired Officers Association proposal, on page 1 of its written testimony, that servicemembers who elected not to participate in the Montgomery GI Bill be given a one-time, second chance to enroll in chapter 30 if they make a commitment of additional years of service or agree to a pay reduction?
2. Would you please state your views on the N.C.O.A.'s proposal, on page 2 of its written testimony, to give current servicemembers who are eligible for chapter 32 an opportunity to enroll in chapter 30 on the basis of a commitment of additional years of service or have a pay reduction.

NOTE: NAUS supports both of the above provisions. Both will contribute to retaining skilled, trained, high quality service members, thus enhancing one of the original benefits to the nation of the Montgomery GI Bill.



National Association of Veterans Program Administrators

Bertie Rowland, President
c/o California State University, Chico
Veterans Affairs
Chico, California 95929-0711
(916) 895-5911

June 2, 1988

Senator Alan Cranston
Senate Veterans Affairs Committee
Washington, DC 20510-6375

Dear Senator Cranston,

Thank you for the opportunity to address the additional questions raised by the May 25th hearing of the Committee on Veterans Affairs.

First Request:

1. Association of the US Army's proposal to amend section 103 of S. 2307 would generally restore the amount of the basic pay reduction under chapter 30 for a service member who, due to a pre-existing medical condition, is discharged before meeting the length of service requirement under chapter 30 so as to provide the individual with chapter 30 entitlement equal to the number of months of the individual's chapter 30 pay reduction.

If an individual has entered the military in good faith, has been accepted by the military and has had their basic pay reduced, then was subsequently discharged for any reason which is beyond their control and not a result of improper conduct, it seems appropriate to NAVPA that they should be allowed to keep the educational benefits which they have earned. Any investment in education is an investment in our future. This is a fair and equitable manner in which to resolve this question without starting a refund policy which may be difficult to administer. We therefore agree with the recommendation to allow a pro-rated training period, but would wish any proposed legislation to provide for any condition which is beyond the servicepersons control.

2. PVA proposes that remedial, refresher and deficiency courses under chapters 30, 32, and 35 of title 38 and chapter 106 of title 10 be amended to permit an individual to receive payment for such a course without a charge to entitlement.

It is foremost that remedial, refresher and deficiency courses be allowed. We note that the military is touting many "high quality" recruits, yet we realize that the simple act of graduating from high school or receiving its equivalent does not necessarily give the individual the coursework required to enter and succeed in an IHL. One of the objectives of the GI Bills is to restore lost educational opportunity - and with entrance requirements rapidly on the rise, you may be assured that many (if not most) of these "high quality" recruits will be required to complete some remediation, refresher or deficiency coursework. We do agree with the PVA in their position that charging entitlement for these programs does reduce the possibility that an individual could complete a four year program within the context of their benefits. This is particularly true of an individual who has not completed a college prep program in high school.

Second Request Letter:

1. Retired Officers Association proposal that servicemembers who elected not to participate in the Montgomery GI Bill be given a one-time, second chance to enroll in Chapter 30 if they make a commitment of additional years of service or agree to a pay reduction?

NAVPA agrees with a second opportunity to enroll in the MGIB. The program has been enhanced, and service members are now much more aware of the program and its attributes. To link enrollment with an incentive to make an additional commitment to the military, and to require the pay reduction is a fair and reasonable manner in which to present this tool to retention. Linking the eligibility to a lengthened commitment will help to mitigate any hard feelings which may arise from those who participated from the beginning.

A good deal is spent on each person entering military service. If that person can be retained for a period by offering them this educational incentive, everyone becomes a winner - the military, the veteran, the taxpayer and society in general.

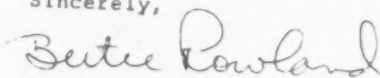
2. NCOA's proposal to give current servicemembers who are eligible for Chapter 32 an opportunity to enroll in chapter 30 on the basis of a commitment of additional years of service or have a pay reduction.

This proposal is definitely supported by NAVPA. We feel that the individual must be allowed to "ELECT" into Chapter 30, that any excess funds collected should be returned to the soldier. In addition, however, the VEAP program was simply

not as good as the Chapter 30 program. NAVPA would like to see all servicepersons who WOULD have been eligible for Chapter 32 given the chance to enroll in Chapter 30 and agree to see that opportunity linked to re-enlistment or extension as a retention device. Electing into Chapter 30 is a good opportunity for the service person. If many servicepersons elect into Chapter 30, it is also a method of simplyfying the overburdensom variations and confusion in the VA programs by reducing the number of Chapter 32 trainees.

Again, thank you for the opportunity to respond to these questions on behalf of NAVPA.

Sincerely,

A handwritten signature in cursive script that reads "Bertie Rowland".

Bertie Rowland
President



National Association of Veterans Upward Bound Project Personnel

June 10, 1988

Mr. Darryl Kehrer
Professional Staff Member
Veterans Affairs Committee
U.S. Senate
414 Russell Senate Office Bldg.
Washington, D.C. 20026

Dear Mr. Kehrer,

Below are the responses of the National Association of Veterans Upward Bound Project Personnel to written questions from the U.S. Senate Veterans Affairs Committee.

1. The NAVUBPP agrees with the Association of the U.S. Army's proposal to provide chapter 30 entitlement equal to the number of months of pay reduction for a service member who, due to a pre-existing medical condition is discharged before meeting the length of service requirement under chapter 30.

2. While NAVUBPP would prefer to have remedial, refresher and deficiency courses not charged to an individuals entitlement, we are well aware of the compromises involved in the political process. We believe it is imperative that veterans receive G.I. benefits for remedial training. NAVUBPP recognizes that there may be some opposition to paying for this type of training, and opponents might utilize the argument of balancing the budget or reducing costs to eliminate any payment for veterans receiving remedial/refresher training. Charging entitlement for this type of training will result in lower expenditures, thus countering any opposition utilizing the cost savings argument. Therefore, NAVUBPP wishes to go on record as supporting entitlement charges for remedial, refresher and deficiency training as a measure to reduce the costs to the Federal Government.

We believe that compromises can be made in the area of entitlement charge but no compromises can be made in whether or not benefits will be paid for this type of training.

Respectfully submitted,

Glenn A. Morris, President,
N.A.V.U.B.P.P.

GAM:taa

cc: Jon Westby

NATIONAL HOME STUDY COUNCIL
 1601-18th STREET, N.W. • WASHINGTON, D. C. 20009 • 202-234-5100



Office of the Executive Director

May 31, 1988

The Honorable Alan Cranston
 United States Senate
 Committee on Veterans' Affairs
 Washington, D.C. 20510-6375

Dear Senator Cranston:

Thank you for your letter of May 25th inviting our response to three legislative proposals.

Our position on each proposal is as follows:

1. Section 103 of S-2307 - In all fairness to the service member, we believe this is a humane and sound proposal and support it unequivocally.
2. PVA Proposal on Remedial Training - Again, in fairness to the individual, it is probably good to allow veterans to receive payment for such training. We have reservations about the costs involved, so we think a charge to entitlement should be made, if this would ensure the passage of the provision.
3. S-820 - We cannot support this proposal, since we fail to see how recreational or avocational use of flight training benefits can effectively be prevented.

Thank you for allowing us the opportunity to respond to these proposals.

Sincerely yours,

William A. Fowler

cc: Honorable Frank Murkowski



NCOA[®]

Non Commissioned Officers Association of the United States of America

225 N. Washington Street • Alexandria, Virginia 22314 • Telephone (703) 549-0311

June 2, 1988

Honorable Alan Cranston
Chairman
Senate Veterans' Affairs Committee
414 Russell Senate Office Building
Washington, D.C. 20510

Dear Mr. Chairman:

NCOA is pleased to provide the following responses to the committees questions posed as a followup to the May 25 hearing on veterans' education programs.

- (1) The Association of the U.S. Army's proposal to amend Section 103 of S.2307, to provide educational benefits under the Montgomery G.I. Bill to individuals discharged for pre-existing medical conditions before meeting length of service requirements:

NCOA believes that providing educational entitlements under Chapter 30 in an amount equal to the number of months of pay forfeiture contributed would be both fair and equitable. Individuals who have submitted themselves to any and all examinations and tests required and performed by government doctors and are told they meet requirements for service should not be penalized for later discoveries of physical disabilities they could not have anticipated.

The servicemember who enters a contract for educational entitlements, in good faith, and voluntarily agrees to pay forfeitures for that benefit should receive what he or she has paid for. NCOA has no objection to that proposal.

- (2) The proposal of the Paralyzed Veterans of America that remedial, refresher and deficiency courses taken under Chapters 30, 32, and 35 of Title 38 and Chapter 106 of Title 10 be permitted without charge to the veterans entitlement:

NCOA recognizes that many veterans find themselves in need of remedial or refresher training in order to achieve their educational objectives. NCOA also strongly believes there should be uniformity in the manner in which remedial and refresher training is administered among all veterans educational programs. However, unlimited entitlement to remedial and refresher training without charge to basic benefit entitlement could lead to a legion of career students who never reach an objective. NCOA believes that non-charged remedial or refresher training should be limited to no more than three credit hours per school year or twelve hours total during a veterans educational eligibility period.

Honorable Alan Cranston
June 2, 1988
Page 2

- (3) S.820 would provide education benefits for veterans training under Chapter 30 of Title 38 and Section 106 of Title 10. Although flight training has been an area of study open to abuses in the past, NCOA believes the stringent eligibility requirements set forth in S.820 provides adequate protections against avocational pursuit of training under this proposal. Specifically, the bill requires that training under its provisions be offered by an institution of higher learning with credit leading toward a standard college or university degree. This provision will preclude the veteran from enrolling in one of the "fly-by-night" schools that offer training which only prepares students to pass the Federal Aviation Administration exams.

The requirement to possess a current pilots license and meet all medical requirements for a commercial license will also aid in eliminating those veterans who are only interested in avocational flight training. State approving agencies and FAA certification will also assist in insuring that training facilities meet high standards. The requirement for school certification as well as veteran certification of actual training received before benefits are paid add still another compliance check.

NCOA is not so naive as to believe that this bill guarantees there will be absolutely no avocational students in the program. However, we do believe that the bill goes as far as reasonably possible to protect the program from excessive abuse.

- (4) The proposal of The Retired Officers Association (TROA) to allow a one-time second chance opportunity for active duty servicemembers to enroll in the Montgomery G.I. Bill:

As stated in NCOA's testimony before the committee, the association strongly believes that open enrollment in the Montgomery G.I. Bill should be available upon reenlistment to those unable to participate in the program at initial enlistment. Additionally, NCOA believes that an open conversion should be available to these active duty servicemembers who are eligible for or participating in the Chapter 32 (VEAP) program.

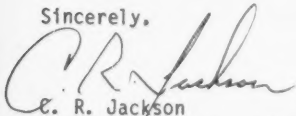
Open enrollment at reenlistment would not only meet the goal of encouraging proven performers to remain on active duty, but would also provide the member with enrollment at a time when the financial burden of the pay forfeiture would be easier to bear. Modification of the TROA proposal in this way would have the complete support of NCOA.

Honorable Alan Cranston
June 2, 1988
Page 3

Additionally, in testimony before the committee, NCOA asked that military retirees be automatically included under Chapter 30 for any service after July 1985. The basis for this request is that many were forced to retire during the three year qualification period because of service high-year-tenure regulations which prohibit enlisted service of more than 30 years except under unusual conditions. The Defense Manpower Data Center has recently provided NCOA statistics indicating only about 6,000 people will fall into this category. Additionally, NCOA pleaded for Chapter 30 benefits for retirees with less than 30 years of service who were forced to retire based on grade and length of service. For example, Army regulations require a Master Sergeant to retire at 27 years of service notwithstanding any personal desire to remain on active duty. Unfortunately, the Defense Manpower Data Center cannot statistically identify these retirees. However, they advise that extending benefits to all who retire during the initial three year qualification period would affect only about 65,000 people including the over 30 retirees discussed above.

NCOA thanks the committee for the opportunity to communicate its views on these important issues.

Sincerely,



C. R. Jackson
Executive Vice President

CRJ/car



**PARALYZED VETERANS
OF AMERICA**
Chartered by the Congress
of the United States

June 2, 1988

The Honorable Alan Cranston, Chairman
Senate Committee Veterans' Affairs
SR-414, Russell Senate Office Building
Washington, D.C. 20510-6375

Dear Mr. Chairman:

I am pleased to respond to the three written questions provided to us at the education hearing on May 25, 1988. In addition, Senator Matsunaga asked us to respond to two additional questions which I will also address in this letter.

1. Regarding a proposal by the Association of the U.S. Army to amend Section 103 of S. 2307, PVA can support the recommendation. Section 1411(a)(1) of title 38 would be amended to provide basic Chapter 30 entitlement to those individuals who are given an early discharge or release from active duty due to a preexisting medical condition. Although we can support Section 103 over the existing law, we believe it is preferable to offer basic education assistance to these individuals.

Title 38 presently provides basic Chapter 30 eligibility for certain individuals separated for the convenience of the government.

2. With respect to S. 820, as we stated in our testimony, PVA does not feel this legislation goes far enough to ensure that flight training would not be used for recreational, vocational, and personal goals. We are specifically concerned with the provision which would provide flight training if such training is "generally recognized as ancillary to the pursuit of a vocational endeavor other than aviation." The provisions in S. 820 to prevent abuse are similar to the provisions in the prior G.I. Bill. We do not feel that S. 820, as written, will be sufficiently effective in preventing misuse of the program.

3. Your third question asks us to state which of the proposals set forth in S. 2307 we do not support and why. As you know, we are on record as opposing the Administration's initiative regarding remedial, refresher, and deficiency training (Section 203). Our arguments can be found on page six of our testimony.

801 Eighteenth Street, N.W., Washington, D.C. 20006 (202) USA-1300

As we stated on page five of our testimony, we believe that Section 103 of S. 2307 constitutes a reasonable method by which such individuals can receive repayments or benefits. We agree with the Association of the U.S. Army that it is preferable to offer education benefits over refunds even if such benefits are for a limited period of time. In the case of survivors, we feel it is appropriate to refund a deceased member's contributions to next-of-kin.

Senator Matsunaga asked us to respond to the following questions;

1. Should the MGIB program be offered to individuals (serving on active duty since the inception of the program) who originally chose not to participate?
2. Should service members eligible for VEAP be permitted to convert to Chapter 30?

PVA has no objections to either proposal, however, we feel that a limited open enrollment period would best serve the intent of such initiatives.

As we have stated before, PVA thanks you for your continued interest in the well-being of these programs. Please call if you need any additional information.

Sincerely,



John C. Bollinger,
Associate Legislative Director

JCB:das



Reserve Officers Association of the United States

THE PROFESSIONAL ASSOCIATION REPRESENTING ALL MILITARY OFFICERS
ARMY ★ NAVY ★ AIR FORCE ★ MARINE CORPS ★ COAST GUARD ★ PUBLIC HEALTH SERVICE ★ NOAA

2 June 1988

The Honorable Alan Cranston
Chairman, Committee on Veterans Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In reference to your letter, 25 May, the Reserve Officers Association appreciates being given the opportunity to comment on legislation relating to veteran's educational programs. Enclosed are responses to follow-up questions submitted.

The Reserve Officers Association is grateful for your consideration and support of educational programs for veterans.

Sincerely,

James C. Rodenberg
Lieutenant Colonel, USAF (Ret.)
Legislative Counsel

Follow-up Response by the Reserve Officers Association
of the U.S. to Questions Submitted by Senator Alan Cranston
in Connection with the Committee on Veterans' Affairs
May 25, 1988, Hearing

1. Question: Please provide your views on the Association of the U.S. Army's proposal, on page 2 of its written testimony, to amend the proposal in section 103 of S. 2307 -- which would generally restore the amount of the basic pay reduction under chapter 30 for a service member who, due to a pre-existing medical condition, is discharged before meeting the length-of-service requirement under chapter 30 -- so as to provide the individual with chapter 30 entitlement equal to the number of months of the individual's chapter 30 pay reduction.

Answer: As we have testified ROA has adopted a resolution supporting the refund of contributions in the event of death or other qualifying reasons when a service member is unable to use the benefit. In the event that a service member has made contributions and is later found to be medically ineligible to remain on active duty due to a pre-existing condition, we believe that it would be appropriate for such an individual to receive chapter 30 entitlement equal to the number of months of the individual's chapter 30 pay reduction if the individual has not met the length of service requirement established under chapter 30. Our support for this modification is based upon the

fact that the individual, having entered the service in good faith, and having elected to participate in the program in good faith, should not be adversely penalized if the service member, after initial medical examination and entry into the service, is found to have a medical condition which should have precluded such entry.

2. Question: Please provide your views on the proposal on page 6 of the PVA testimony that remedial, refresher, and deficiency courses under chapters 30, 32, and 35 of title 38 and chapter 106 of title 10 be amended to permit an individual to receive payment for such a course without a charge to entitlement.

Answer: Although the Reserve Officers Association does not have a mandate specifically addressing the subject of remedial, refresher, and deficiency courses, we believe that enrollment in such courses are for the improvement of the individual and thus should appropriately be charged to the individuals educational entitlement. If an individual were permitted to receive payment for such courses without an entitlement charge, the relationship between the benefits derived and the service performed which earned the entitlement would be severed.



For God and Country

★ WASHINGTON OFFICE ★ 1608 "K" STREET, N.W. ★ WASHINGTON, D.C. 20006 ★
(202) 861-2700 ★

June 6, 1988

Honorable Alan Cranston, Chairman
Senate Veterans Affairs Committee
SR-414 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Cranston:

The following replies are furnished to pre-hearing questions presented to The American Legion on May 25, 1988 regarding the Montgomery GI Bill. A copy of the written questions is attached as an enclosure.

1. The American Legion would not pose any objection to providing limited Chapter 30 benefits to an individual who is discharged for a pre-existing medical condition based upon the number of months of the individual's participation in the program, or alternatively refunding the individual's contribution to the program. This should be a matter of personal choice.
2. Under Chapter 34, remedial, refresher and deficiency courses may be pursued, where necessary, without charge to overall entitlement. Such courses are for the purpose of assisting veterans to qualify for a program of education and to improve the chances of the successful completion of that program. It would, therefore, seem appropriate that Chapter 30, 32 and 35 participants should also be afforded this opportunity without charge to entitlement.
3. Flight training under Chapter 34 was primarily designed to provide basic flight training and instruction toward the goal of a private pilots license. While this represented a legitimate vocational objective, many veterans entered the program with no interest or intention of using either the training or the license for occupational or commercial purposes. Veterans receiving advanced flight training were more likely to pursue occupations in aviation or a closely related field, than those who had only a private pilots license.

While the type of advanced flight training provided by S. 820 would not be totally immune from potential abuse, the possibility is substantially lessened by the eligibility criteria to be used. The program is now clearly more vocationally oriented than in the past and the training has direct commercial applicability. We are concerned that abuse may arise where the training sought was ancillary to the pursuit of a vocational goal in an field other than aviation. This potential problem could be directly addressed in the development of the regulations and guidelines implementing this particular section of the law, if enacted.

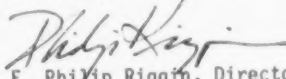
Chairman Alan Cranston
Veterans Affairs Committee
Page #2

by requiring clear justification for such training if the veteran's vocational goal or occupation is in a field unrelated to aviation.

4. The American Legion testified in support of the provisions of S. 9 which would extend the delimiting periods for education and training under Chapters 30, 31, 32, 34 and 35 based on drug or alcohol abuse at the Committee's legislative hearing on June 30, 1987.

As always, The American Legion appreciates your interest in its views.

Sincerely,



E. Philip Rigg, Director
National Legislative Commission

Enclosure

The American Legion



For God and Country

★ WASHINGTON OFFICE ★ 1608 "K" STREET, N.W. ★ WASHINGTON, D.C. 20006 ★
(202) 861-2700 ★

June 1, 1988

Honorable Alan Cranston, Chairman
Senate Veterans Affairs Committee
SR-414 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Cranston:

We have reviewed the recommendations of both the NCOA and TROA concerning their suggested changes to the Montgomery GI Bill.

As we indicated in our testimony on May 25, The American Legion supports any congressional efforts to improve the morale, welfare, pay and benefits of the men and women of the armed forces. In this vein, we support both proposals with respect to affording members of the armed services the additional opportunity to opt for the Chapter 30 benefits either in lieu of Chapter 32 benefits or as a retention incentive.

As always, we appreciate your interest in our concerns.

Sincerely,

A handwritten signature in cursive script, reading "E. Philip Rigg".

E. Philip Rigg, Director
National Legislative Commission



THE
RETIRED
OFFICERS
ASSOCIATION

201 North Washington Street
Alexandria, Virginia 22314-2529
(703) 549-2311

May 27, 1988

Senator Alan Cranston, Chairman
Committee on Veterans Affairs
United States Senate
Washington, D.C. 20510-6375

Dear Mr. Chairman:

I am submitting the enclosed answers to the follow-up questions covered
at the Committee's May 25th hearing.

Sincerely,

A handwritten signature in cursive script, reading "John F. Wanamaker", is written over a horizontal line. The signature is located to the left of the typed name.

JOHN F. WANAMAKER

Commander, USN, Retired
Deputy Director, Legislative Affairs

JFW:mw

Follow-up answers to the questions
submitted by Senator Alan Cranston
in connection with the May 25th
hearings of the Committee on Veterans Affairs

1. Should an individual be released from active duty for reasons other than misconduct and before meeting the length of service requirement under Chapter 30, we would support providing such individual Chapter 30 benefits on a pro-rata basis between the amount of time served and time necessary to be fully qualified, provided a minimum of 90 days of active duty has been completed.

2. Our Association would not provide special educational assistance for remedial, refresher, or deficiency courses without charging such assistance to the basic entitlement. We could visualize a situation whereupon individuals could abuse such training by enrolling in unending numbers of such courses claiming them to be remedial, refresher or deficiency. Such a program would almost be unmanageable.

Office of the
Administrator
of Veterans Affairs

Washington DC 20420



**Veterans
Administration**

JUL 14 1988

Honorable Alan Cranston
Chairman, Committee on
Veterans' Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Enclosed please find the Agency's responses to questions 1-2 and 4-7 raised by you following the May 25, 1988, hearing regarding education legislation. The response to question 3 will be submitted in the near future.

Sincerely,

THOMAS K. TORNAGE
Administrator

Enclosure

"America is #1—Thanks to our Veterans"

Question 1. With respect to section 203 of the Administration's bill, S. 2307, which would provide for a uniform policy with regard to pursuit of remedial, refresher, or deficiency courses, page 3 of the testimony of the American Association of State College and Universities proposes that the Administrator approve enrollment in such a course only if taken in an educational institution accredited by an accrediting body approved by the Council on Post Secondary Education and recognized by the U. S. Department of Education rather than, as under section 203 of your bill, merely "at an appropriate educational institution." Would you please review this proposal and submit your views on it?

Answer. We are opposed to a requirement that remedial, refresher, or deficiency courses may only be taken at an accredited educational institution. As you know, the VA already relies on the State Approving Agencies to ensure the quality of courses of studies for veterans and dependents. In addition, the noncontributory GI Bill is not intended to provide just "college" educations. The scope is clearly broader and the phrase "at an appropriate educational institution" is sufficient given the quality assurance provided by the States.

Question 2. The Non Commissioned Officers Association, on page 2 of its testimony, and the Retired Officers Association, on page 3 of its testimony, propose that MGIB entitlement be extended to veterans who have chapter 34 entitlement and who, solely by reason of the DOD's so-called "high year of tenure" or "high tenure" policy, are unable to earn MGIB entitlement by virtue of serving continuously on active duty from October 19, 1984, through June 30, 1988. What are VA's views on this proposal?

Answer. Congress passed legislation in 1976 closing eligibility for the noncontributory GI Bill program to persons who entered military service after December 31, 1976, and terminating the program as of December 31, 1989. The selection of the December 31, 1989 termination date, 13 years after the service eligibility closing date, was intended to permit the maximum number of individuals sufficient time to complete their training. These individuals, moreover, could pursue training with assistance under the noncontributory GI Bill both while serving on active duty and as veterans following discharge or release therefrom. Thus, they had ample opportunity to use such education benefits to complete programs needed to restore lost educational opportunities and to prepare for and assist with their

readjustment to civilian life. The VA does not support reducing the existing minimum length of service requirements for MGIB entitlement solely to permit the group of veterans described in this question to qualify for such additional benefits.

Question 4. Please provide the VA's views as to whether and under what circumstances any current service members should be given the opportunity to enroll in the chapter 30 program. Please consider both those who are participating in or eligible for VEAP and those who were eligible for chapter 30 but previously elected not to participate in it and what, if any, additional active duty or reserve commitment or pay reduction should be required of those who wish to enroll in chapter 30 if they are given such an opportunity.

Answer. We defer to the views of the Department of Defense, inasmuch as this proposal could have implications for military recruitment/retention policy and objectives. We understand that General Lukeman opposed this proposal when raised in written follow-up questions to the hearing, since DOD believes this proposal would unnecessarily duplicate existing retention tools.

Question 5. The Non Commissioned Officers Association proposes, on page 2 of its testimony, to afford current service members who are eligible for the chapter 32 program an opportunity to enroll in chapter 30 if they make a commitment of additional years of service or agree to a pay reduction. What are the VA's views on this proposal?

Answer. Again, this program is intended to serve as a recruitment tool, not as a retention incentive. We oppose this proposal.

Question 6. With respect to S. 820, which would make flight training benefits available under chapter 30 of title 38 and chapter 106 of title 10, please identify the provisions in S. 820 that either did not apply to the flight training program available to veterans under the chapter 34 program or are modified in S. 820 and provide your views on whether, by reason of any such new provisions or modifications, S. 820 would be effective in preventing abuses, especially in the form of use of the benefits for avocational or recreational purposes.

Answer. The provisions of S. 820, particularly those delineating the conditions prerequisite to the Administrator's approving pursuit of flight training, are substantially similar to those contained in the noncontributory GI Bill (i.e., 38 U.S.C. 1677; repealed by Pub. L. No. 97-35, August 13, 1981) which resulted in quite serious problems and abuses. We do not have reason to believe that those same problems and abuses would not persist with regard to flight training under the Montgomery GI Bill.

Question 7. On pages 4 and 5 of your testimony, you object to extending chapter 34 eligibility to 1978 service academy and ROTC graduates on the grounds that "later classes of academy graduates and SROTC members who were in academic pursuit at the time of the statutory cutoff may also seek this type of remedy." In the case of those later classes, the classes of 1979 and 1980, when did they actually make their active-service commitments--wasn't it well after the October 14, 1976, enactment date of the legislation closing off chapter 34?

Answer. Students at the service academies have a military obligation to perform active duty service once they commence their third year at the service academies, as do SROTC members. However, the 1979 and 1980 graduates like the 1978 class, had the expectations of previous graduates who had volunteered for and commenced training at a time when the GI Bill was offered as a recruiting inducement.

VETERANS OF FOREIGN WARS OF THE UNITED STATES



OFFICE OF THE DIRECTOR

June 7, 1988

The Honorable Alan Cranston
Chairman
Committee on Veterans' Affairs
United States Senate
Washington, D.C. 20510-6375

Dear Mr. Chairman:

Thank you for the opportunity to respond to questions you were unable to ask due to time restraint at the May 25, 1988, hearing with respect to the Veterans' Educational Programs.

Please find enclosed our responses to the questions posed. With best wishes and kind regards, I am

Sincerely yours,

DENNIS M. CULLINAN
Assistant Director
National Legislative Service

Enclosures (2)

★ WASHINGTON OFFICE ★

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RESPONSE TO QUESTIONS
POSED BY THE HONORABLE ALAN CRANSTON, CHAIRMAN
OF THE VETERANS' AFFAIRS COMMITTEE

WITH RESPECT TO

VETERANS' EDUCATIONAL PROGRAMS

May 25, 1988

1. QUESTION - Please provide your views on the Association of the U.S. Army's proposal, on page 2 of its written testimony, to amend the proposal in section 103 of S. 2307 -- which would generally restore the amount of the basic pay reduction under chapter 30 for a service member who, due to a pre-existing medical condition, is discharged before meeting the length-of-service requirement under chapter 30 -- so as to provide the individual with chapter 30 entitlement equal to the number of months of the individual's chapter 30 pay reduction.

RESPONSE - In this regard, and as indicated in our written statement, the VFW supports legislative language which would remedy the inequity visited upon individuals who paid but, through no fault of their own, are denied the opportunity to use educational benefits. Furthermore, we agree with the Association of the United States Army's assessment that the government had ample opportunity to discover any disability or preexisting condition leading to the early discharge or release from service of a member of the armed forces. Furthermore, by volunteering to serve in the armed forces and then enrolling in the Montgomery GI Bill, such individuals have clearly indicated their desire to take part in the program.

Therefore, we support the proposed amendment to section 103 of S. 2307 which would generally restore the amount of the basic pay reduction under chapter 30 for a service member who, due to a preexisting medical condition, is discharged before meeting the length-of-service requirement under chapter 30, so as to provide the individual chapter 30 entitlement equal to the number of months of the individual's chapter 30 pay reduction.

2. QUESTION - Please provide your views on the proposal on page 6 of the FVA testimony that remedial, refresher, and deficiency courses under chapter 30, 32, and 35 of Title 38 and chapter 106 of Title 10 be amended to permit an individual to receive payment for such a course without a charge to entitlement.

RESPONSE - As was indicated in our written statement, the VFW views remedial, refresher and deficiency courses as being an important aspect of the educational process. Accordingly, we gave our support for allowing eligible individuals to receive payment for such courses at an appropriate charge to entitlement. We would certainly agree, however, that it would be preferable to provide what is essentially a preliminary to higher education to veterans who have need of such assistance without a charge to entitlement. In this way, these individuals would be able to prepare themselves to successfully

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pursue a post secondary educational program and still have sufficient GI Bill entitlement remaining to see them all the way through to graduation. We would only suggest that limits be placed on both the amount and kind of such training which would be permissible without charge to entitlement so as to avoid abuse of the program. This would also serve to protect veteran participants from fraudulent or low quality providers of educational services.

3. QUESTION - With respect to S. 820, please explain specifically how you believe the provisions of this bill would prevent the use of this program by beneficiaries for recreational and avocational, rather than, vocational purposes.

RESPONSE - In response to this question I will quote, in part, the explication contained in the March 24, 1987, Congressional Record addressing the provisions of S. 820. "Eligible candidates for flight training benefits must already possess their private pilot's license and must meet the medical requirements for certification as a commercial pilot. Flight training schools' curricula must be approved by the State approving agency, and the training must be judged to be necessary for attainment of a recognized vocational objective. The school's flight training program must also meet the stringent requirements established by the Federal Aviation Administration (FAA)." Although it can be argued that these limitations still do not absolutely guaranty that a given individual will become a professional pilot after having successfully completed flight training, it does, in fact, very clearly steer participants in that direction. We would point out that there are individuals who having successfully pursued specific college degrees do not necessarily go on to earn their livings within these disciplines. Therefore, we believe the strictures placed on participation in flight training while utilizing the GI Bill contained in S. 820 are satisfactory.

RESPONSE TO QUESTIONS
POSED BY THE HONORABLE ALAN CRANSTON, CHAIRMAN
OF THE VETERANS' AFFAIRS COMMITTEE

WITH RESPECT TO

VETERANS' EDUCATIONAL PROGRAMS
May 25, 1988

1. QUESTION - Would you please state your views on the Retired Officers Association proposal, on page 1 of its written testimony, that service members who elected not to participate in the Montgomery GI Bill be given a onetime, second change to enroll in chapter 30 if they make a commitment of additional years of service or agree to a pay reduction?

RESPONSE - The VFW would very much support allowing service members who elected not to participate in the Montgomery GI Bill a onetime, second chance to enroll in Chapter 30. It is our view, however, that they should not be required to agree to any additional pay reduction outside of the required contribution to the program, and that the only additional requirement should be that they make a commitment to additional years of service.

2. QUESTION - Would please state your views on the N.C.O.A's proposal, on page 2 of its written testimony, to give current service members who are eligible for chapter 32 an opportunity to enroll in chapter 30 on the basis of a commitment of additional years of service or have a pay reduction.

RESPONSE - The VFW would also support giving current service members who are eligible for Chapter 32 an opportunity to enroll in Chapter 30 on the basis of commitment of additional years of service. Once again, we do not believe they should be subjected to any additional pay reduction besides their normal contribution to the program. Eligibility to, and participation in, the Montgomery GI Bill is a reward for patriotic service rendered to the nation and not a bought and paid for commodity.